

FBIS**DAILY REPORT
CONTENTS***China*

Vol 1 No 204

19 October 1984

PRC INTERNATIONAL AFFAIRS

GENERAL

Foreign Business Aid Welcomed at Symposium	A 1
UN General Assembly Accepts CGDK Credentials	A 1
Water Pollution in Asia-Pacific Area Discussed	A 2
PRC Education Conference Delegation on Goals	A 3
Sports Delegation Leaves for European Tour	A 4
International Technology Catalog Exhibit Opens	A 4

UNITED STATES

Zhang Zhen Meets U.S. Military Delegation	B 1
XINHUA on Hubei-U.S. Business Talks in Beijing	B 1
Press Reaction to Murder of Writer Chiang Nan	B 2
Wang Bingnan's Memoirs on Sino-U.S. Talks	B 3
In GUANGZHOU RIBAO, SHIJIE ZHISHI [GUANGZHOU RIBAO 29 Sep]	B 3
Part 1 [1 Oct]	B 3
Part 2 [3 Oct]	B 5
Part 3 [4 Oct]	B 6
XINHUA Studies U.S. Factory Size Changes	B 7

NORTHEAST ASIA

Gu Mu Meets With Japanese Commentators	D 1
Japanese Radiophone Technology To Be Imported	D 1
Wang Zhen, Japanese Women's Delegation Meet	D 2
Japan, Heilongjiang To Cooperate in Wood Research	D 2
Xiao Hua Receives DPRK Reunification Delegation	D 2
NODONG SINMUN Cited on Boosting DPRK Exports	D 2
PRC-DPRK Friendship Tower Rebuilding Completed	D 3
South Korean Students Demand Democratization	D 3

SOUTHEAST ASIA & PACIFIC

Leaders Meet Hong Kong MING BAO Director	E 1
Hu Yaobang, Hu Qili	E 1
Ji Pengfei	E 1
Ba Jin Receives Honorary Degree in Hong Kong	E 1
Huang Hua Meets Former Thai Deputy Premier	E 1
Australian Minister on Joint Geological Survey	E 2
Marcos Receives PRC Journalists' Delegation	E 2
Zhang Ming at Lectures on PLA-Vietnam Battles	E 3

SOUTH ASIA

RENMIN RIBAO Expects No India-Pakistan War [19 Oct]	F 1
---	-----

WESTERN EUROPE

Zhang Jingfu Meets Danish Business Executive	G 1
Belgian Minister on PRC Industry's Potential	G 1

MIDDLE EAST & AFRICA

Tian Jiyun Meets Sao Tome and Principe Delegation	I 1
Yang Jingren, CPC Delegation Leave for Somalia	I 1
Zairian General Views Nanjing PLA Demonstration	I 1
Sierra Leone Delegation Arrives in Nanjing	I 1

PRC NATIONAL AFFAIRS

Xue Muqiao Urges More Economic Reform Studies	K 1
[RENMIN RIBAO 8 Oct]	
Larger Service Sector Needed To Boost Economy	K 5
Superiority of Cadre Contract System Viewed	K 6
[RENMIN RIBAO 15 Oct]	
Foreign Firms Help Exploit Offshore Oil	K 7
RENMIN RIBAO Discusses Exemplary Role of Films [8 Oct]	K 9
Management Reforms Aid Capital Construction	K 15
Air Force Establishes Flight Safety Committee	K 16
Army Paper on PLA's Chinese Word Processor	K 16
RENMIN RIBAO Reviews Growth of Civil Aviation [12 Oct]	K 16
Development of Highway Transportation Examined [RENMIN RIBAO 12 Oct]	K 17
Young Pioneers' 35th Anniversary Celebrated	K 20
CYL Holds National Meeting on Work, Reform	K 20
Liu Yandong Speaks	K 21
State Council Issues Report on State Examination	K 22

PRC REGIONAL AFFAIRS

EAST REGION

Fujian Governor Meets Visiting Overseas Chinese	O 1
[FUJIAN RIBAO 3 Oct]	
Jinan PLA Uses Automation For Combat Command	O 1
Shandong Commentary on People's Congresses	O 2
Shandong Conducts Cultural Revolution Education	O 2
[RENMIN RIBAO 16 Oct]	

CENTRAL-SOUTH REGION

Guangzhou Develops Economic, Technical Zone	P 1
Guangzhou To Publish Overseas Chinese Journal	P 1
Guangdong: Zhuhai Relaxes Policies for Islands	P 1
Guangdong PLA Leading Organs Combat Bureaucracy	P 2
Henan Selects Third-Echelon Leading Cadres	P 3
Hunan Holds Forum on Rural Commodity Production	P 3
HUNAN RIBAO Commentary on Foreign Loans [15 Oct]	P 4
Changsha Builds Strong Third Echelon Leadership	P 4
Hunan Holds Banquet for Trade Meeting Guests	P 5

SOUTHWEST REGION

Guizhou CPC Committee Holds Forum on Rural Work	Q	1
Sichuan Office Negates Cultural Revolution	Q	1
Sichuan Holds Forum on Enterprise Leading Bodies	Q	2
YUNNAN RIBAO Comments on Overcoming Factionalism [3 Oct]	Q	3

NORTH REGION

Wan Li Commends Beijing Commerce Employees	R	1
Nei Monggol To Step Up Party Rectification Drive	R	1

NORTHEAST REGION

HEILONGJIANG RIBAO on Economic Achievements [1 Oct]	S	1
Heilongjiang Jiu San Society Congress Opens	S	2

NORTHWEST REGION

Qinghai Issues Circular on Birth Control Measures	T	1
Qinghai Expanding Power of Enterprises	T	1
Xinjiang Military Conference Concludes	T	2
Town Enterprise Work Conference Opens in Urumqi	T	3

TAIWAN

U.S. Urged To Stress Taiwan Relations Act [CHINA POST 16 Oct]	V	1
--	---	---

HONG KONG MEDIA ON CHINA

TA KUNG PAO: CPC 3d Plenum To End 19 Oct [19 Oct]	W	1
HSIN WAN PAO: CPC 3d Plenum To End 20 Oct [19 Oct]	W	1
Hong Kong TV: CPC 3d Plenum Approves Price Changes	W	1
PRC Official Comments on Drafting Basic Law	W	2
HSIN WAN PAO on Chinese Writer's Death in U.S. [17 Oct]	W	2

FOREIGN BUSINESS AID WELCOMED AT SYMPOSIUM

OW181910 Beijing XINHUA in English 1834 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- China's light industrial production will continue developing rapidly during the Seventh Five-Year Plan period (1986-90) at an annual rate at least as high as that during the preceding five-year period. Between 1981 and 1983 the rate of increase for light industrial production averaged over 10 percent annually, while the target of increase originally set for the 1981-85 period is seven percent. Yang Bo, minister of light industry, said this today when meeting a group of foreign business leaders attending the fourth International Management Symposium now in session in Beijing.

Yang said China welcomes foreign participation in its efforts to expand light industry to meet market demand, now growing rapidly as consumption is being encouraged to help develop the planned commodity economy based on the system of public ownership. The minister noted that consumption patterns and consumer behavior in China are also undergoing notable changes.

One example is beer, which few Chinese peasants liked in the past. "But beer is becoming increasingly popular in the countryside, as much as in the cities, and it is in short supply even though the country's annual output has increased at an annual average rate of 20 percent in recent years," Yang explained.

China, until now known as the "country of bicycles", will increase the production of motorcycles during the Seventh Five-Year Plan period through cooperation between the Ministry of Light Industry and other industrial departments. "Motorcycles are already in short supply in many rural areas and it is foreseeable that demand for them will grow faster still, along with the improvement of living standards," Yang Bo said.

Also on the ministry's list of priorities for the next five-year plan period are the food industry and industries producing household appliances, garments, plastic and chemical articles for daily use. These are followed by paper and photo-sensitive materials.

Nevertheless, obsolete equipment is one outstanding problem affecting further growth of China's light industrial production, he noted. Machines left over from the 1960's, 50's or even 40's are still being used in many of the 73,000 factories operating under the Ministry of Light Industry. These need to be replaced, Yang Bo said. "Foreign businesses are welcome to help us retool these factories," he said.

UN GENERAL ASSEMBLY ACCEPTS CGDK CREDENTIALS

OW180821 Beijing XINHUA in English 0640 GMT 18 Oct 84

[Text] United Nations, October 17 (XINHUA) -- The U.N. General Assembly today adopted without a vote the first report of its Credentials Committee, thereby accepting the credentials submitted by 127 member states, including Democratic Kampuchea.

Calling for the U.N. Assembly's endorsement of the credentials of Democratic Kampuchea, Chinese permanent representative Ling Qing said, "The Coalition Government of Democratic Kampuchea, the government based in Kampuchea which truly represents the Kampuchean people, has been receiving extensive popular support and victoriously leading the patriotic Armed Forces and people in Kampuchea in a struggle against aggression.

"The so-called 'People's Republic of Kampuchea', namely, the Heng Samrin regime, is an outright puppet installed in Phnom Penh by force by the foreign aggressor troops. This regime is nothing but an agent of foreign authorities and can in no way represent the Kampuchean people," he noted.

He also said, "The fact that Mr. Dost of Afghanistan has been allowed to participate in the 39th session of the General Assembly should in no way be interpreted as an acquiescence in the situation created by foreign armed invasion and occupation of Afghanistan."

In a statement after the vote, Samdech Norodom Sihanouk, president of Democratic Kampuchea, expressed his satisfaction with the assembly's actions. He said that small- and medium-sized countries could trust in the determination of the assembly not to yield to the forces of fait accompli and force.

At the outset of the meeting, Iranian representative Rajaie-Khorassani proposed that the words "except for the credentials of Israel" be added to the paragraph in the draft resolution contained in the report. His proposal won support from Libyan representative Rajab A. Azzarouk and Syrian representative Dia-Allah el-Fattal. Afterward, Ole Biering of Denmark, speaking on behalf of the five Nordic countries, formally moved that no action be taken on Iran's amendment to reject the credentials of Israel. The General Assembly adopted Denmark's motion by a recorded vote of 80 in favor to 41 against, with 22 abstentions.

WATER POLLUTION IN ASIA-PACIFIC AREA DISCUSSED

LD181716 Beijing XINHUA in English 1618 GMT 18 Oct 84

[Text] Bangkok, October 17 (XINHUA) -- Unless water pollution is checked, a severe crisis is likely to engulf the Asia-Pacific region, a report released by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) warned here recently.

The report said there is considerable concern about the extent of water pollution in the region, which is home to the world's largest ocean and seven of the longest rivers. The fear is that these reservoirs containing rich and varied resources are being transformed into enormous waste receptacles.

Of the three types of aquatic environments found in the region -- inland freshwater, estuarine water and marine water -- marine water is the least vulnerable to pollution because of the size of the water mass and stability of its ecosystem. Nevertheless, the oceans are endangered by other potent sources of pollution, such as the increasing use of nuclear energy for power and armament.

Resolving the problems of water pollution is difficult due to the extensive variety of pollutants involved. This is further complicated by the harmful exploitation of resources, as seen in the mining of coral and in dynamite fishing. Natural calamities such as typhoons, earthquakes and tidal waves, as well as climatic and hydrologic changes also disturb the aquatic ecosystem.

The environmental co-ordinating unit of ESCAP has been advising the governments in the region on the urgent need for measures to preserve and protect the aquatic environment.

PRC EDUCATION CONFERENCE DELEGATION ON GOALS

OW180857 Beijing XINHUA in English 0804 GMT 18 Oct 84

[Text] Geneva, October 17 (XINHUA) -- The head of the Chinese delegation to the International Conference on Education said here today that the technological revolution now sweeping the world had "a profound impact on the education system, its structures, curricular, and method."

Zhang Wenxun, the chief Chinese delegate, said that "China has made education one of the strategic priorities in her economic development. While education is to develop both in quality and quantity, great efforts are being made to expedite educational reforms, readjusting educational structures; modifying those components in the education system which are unsuited to the requirements of the new development; reducing the load on the students; and developing their abilities."

He said that the basic principle of China's educational reforms was "to make education suit the needs of her socialist modernization program and develop in the perspective of global and future development." The basic goal was "to build a purely Chinese education system, proceeding from China's reality, to turn out more and better qualified personnel in a shorter space of time."

In the past three years, he said, China has "made special efforts to develop various forms of adult education: vocational or specialized colleges." He said "China has reformed some of the ways colleges and universities enroll new students and assign their graduates to their jobs."

"In order to improve the quality of instruction to meet the challenge of the new technological revolution, China has taken great care to strengthen the newly-emerging frontier disciplines, improve the cross-wide links between related disciplines, and promote the setting up of units that integrate instruction, research and production."

Acquainting the conference with the popular education in China, he said, "To universalize and renovate primary education in the light of the new scientific and technological development, it is essential that quality be guaranteed and the development of students' abilities be given special attention." "Universalization of primary education is the foundation project for China's socialist modernization program. The Chinese Government has set the goal that primary education should be basically universalized in the country by 1990." "In the meantime," he said, "attention is focused on the development of the students' intelligence and the training of their abilities of thinking, self-study, looking after themselves, and using their hands for creative purposes."

He continued by saying, "In the past 35 years, through adult education, 150 million have become literate. The rate of illiteracy among adults has dropped considerably. However, there are still 80 million illiterates among the young and middle-aged peasants. They are the main target population of our literacy programs."

He stressed that "worker education is an important component of education for all in China." In 1981, a self-taught higher education examination was initiated to encourage people to raise their cultural level through self-study. In the last few years, appropriation for education in rural areas had increased and strenuous efforts had been made to reform education there so that the quality of education in these areas had improved and so that education would suit the needs of modernization of China's agriculture better.

He noted that China would also take steps to raise the level of education for the minority nationalities and the handicapped in the country.

Concluding, he said, "The Chinese people are going all out to build a modernized socialist country. It is our sincere hope that there will be an international environment of stable and lasting peace in which to realize our goal of socialist modernization, including the modernization of education. It is also our sincere hope to strengthen exchanges and cooperation with our colleagues in other countries. We are convinced that this conference will not only play a positive role in the promotion of educational development in various countries, but also make fruitful contribution towards the preservation of peace, the promotion of development, the enhancement of understanding and friendship between the peoples of different countries. The Chinese delegation is ready to work together with other delegations to attain this goal."

SPORTS DELEGATION LEAVES FOR EUROPEAN TOUR

OW171303 Beijing XINHUA in English 1225 GMT 17 Oct 84

[Text] Beijing, October 17 (XINHUA) -- A five-member Chinese sport delegation led by Lu Jindong, vice-minister of the Chinese Physical Culture and Sports Commission, left here yesterday for a visit to Belgium, the German Democratic Republic, the Netherlands, the Federal Republic of Germany and Spain. The Chinese delegation was seen off at the airport by Xu Cai, vice-minister of the Chinese Physical Culture and Sports Commission, and diplomats of the above-mentioned countries.

INTERNATIONAL TECHNOLOGY CATALOG EXHIBIT OPENS

OW171112 Beijing XINHUA in English 1036 GMT 17 Oct 84

[Text] Beijing, October 17 (XINHUA) -- A multi-nation energy, communications and transportation product catalog exhibition, the first of its kind ever sponsored by the China Council for the Promotion of International Trade (CCPIT), opened here this morning.

Taking part in the exhibition are 224 companies from 10 countries: Australia, Austria, Canada, France, the German Democratic Republic, the Federal Republic of Germany, Italy, Japan, Switzerland, and the United Kingdom. On display are 823 kinds of catalogs (3,900 copies) with contents ranging from airplanes and ships to tools and measuring equipment.

During the seven-day exhibition, some participating companies will hold technical symposiums to further technical exchanges with their Chinese counterparts.

CCPIT Vice-Chairman Sun Fang gave an address at the opening ceremony. He said he was confident that this catalog exhibition would deepen the mutual understanding and friendship between China and other countries and promote the development of trade and economic and technical cooperation.

Present at the opening ceremony were more than 500 people including CCPIT Chairman Wang Yaoting and responsible persons from some central departments. The exhibition will move on to Shanghai and Shenyang.

ZHANG ZHEN MEETS U.S. MILITARY DELEGATION

LD181659 Beijing XINHUA in English 1430 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- Zhang Zhen, deputy chief of the General Staff of the Chinese People's Liberation Army, met a military training delegation from the United States here this afternoon. The mission is led by Major General Johnny J. Johnston, director of training headquarters in the Department of the Army.

Zhang recalled his trip to the U.S. with Chinese Minister of National Defense Zhang Aiping last June. The Chinese minister had very good talks with Defense Secretary Caspar Weinberger and the Joint Chiefs of Staff, he said.

Welcoming the Americans to China, Zhang Zhen said that more exchange of visits between the Chinese and U.S. military personnel would increase mutual understanding and promote the friendly ties between the Armed Forces and peoples of the two countries.

Johnston responded by saying that his delegation was interested in the exchange of experience in military training and expansion of contacts of the two Armed Forces and peoples.

Later, Zhang Zhen threw a dinner of spicy Sichuan dishes for the Americans.

Earlier today, the U.S. delegation inspected an artillery unit and an infantry division near Beijing. Yesterday they visited the PLA military academy. They are scheduled to tour Xian, Shijiazhuang, Nanjing, Hangzhou and Shanghai after visiting Beijing.

XINHUA ON HUBEI-U.S. BUSINESS TALKS IN BEIJING

LD181739 Beijing XINHUA in English 1645 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- A three-day meeting opened here this afternoon to discuss economic and technical cooperation between central China's Hubei Province and U.S. businesses.

A Hubei delegation of 50 government officials and business leaders put forward at the opening session 104 projects for American investment. The proposed projects involved machinery, electronics, chemicals, building materials and light industry. Most were designed to upgrade technology in Hubei's small and medium-sized factories. Cooperation could take the forms of joint venture, co-production, technology transfer, processing supplied materials or parts according to customer's designs of samples, compensation trade, leasing or purchase.

Vice-Governor Guo Zhenqian said Hubei Province gave priority to cooperation with the United States in external economic relations and trade. Vice-Minister of Foreign Economic Relations and Trade Wei Yuming, who was also present, said he hoped to see big progress in Hubei-U.S. business relations. U.S. Ambassador Arthur Hummel said the U.S. Government and people were interested in supporting China's modernization program. He hoped the meeting would help find a new avenue for expanding these relations.

The meeting is co-sponsored by the Hubei Provincial Department of Foreign Economic Relations and Trade and the Commercial Section of the U.S. Embassy here. Hubei, covering an area of 180,000 square kilometers, is an important industrial center and one [words indistinct] cotton and oil-bearing seed producers in China.

PRESS REACTION TO MURDER OF WRITER CHIANG NAN

HK190759 Beijing ZHONGGUO XINWEN SHE in Chinese 1352 GMT 17 Oct 84

[Report: "The Assassination of Chiang Nan, a Writer Living in the United States, Shocks U.S. and Taiwan Cultural Circles"]

[Text] Hong Kong, 17 October (ZHONGGUO XINWEN SHE) -- Dispatch From New York: On the morning of 15 October, Chiang Nan (Liu Yi-liang), a noted writer and the author of the "Biography of Chiang Ching-kuo" living in the United States, was shot dead in Daly City, San Francisco. The news shocked the United States, cultural circles in Taiwan, and the Chinese community in the United States. All the Chinese daily newspapers in the United States carried this piece of sad news in conspicuous positions the following day.

The CHINA DAILY NEWS, SHEN PAO, CHINA POST, and CHINESE TIMES all carried details of the assassination of Chiang Nan on their front pages as lead items. The PEIMEI NEWS and the UNITED JOURNAL also carried the news in prominent positions on their front pages. The headline used by the UNITED JOURNAL was: "Writer Chiang Nan, Whose Book 'The Biography of Chiang Ching-kuo' Once Shocked Taiwan, Was Assassinated in California." The WORLD DAILY NEWS carried the news on the lower right-hand corner of its third page, with the title "Chiang Nan Assassinated, Cause Unknown."

The CHINESE TIMES reported: "Studies based on the scene of the murder showed that Liu Yi-liang did not show any signs of struggle and none of his valuables were stolen. All of Liu's credentials and his wallet were not stolen."

Friends of Liu Yi-liang pointed out that although Liu was engaged in business activities, he did not have any enemies in business circles. Besides, most of his acquaintances were intellectuals. Hence, both robbery of valuables and vendetta can be ruled out.

Wang Li-hsia and Wang Yung, respectively chief editor and director of the SUMMER TIDE TRIBUNE, which had recently reprinted articles of Chiang Nan, were greatly shocked at the news. They held that it was extremely unexpected that such an incident could take place at the present time.

As for Chinese intellectuals living in the United States, apart from the shock of the incident, they also talked profusely about the motives of the murderers. A good lifelong friend of Chiang Nan said that the recent writing and publication of "The Biography of Chiang Ching-kuo" and "Wu Kuo-chen -- Reminiscences of Bygone Days at the Age of 80" might have offended some people in the KMT. Some others guessed that because Chiang Nan had come from the political work system of the KMT but had written articles exposing the internal evils of the KMT, he therefore had committed the greatest offence and had consequently met his death.

Yang Tsu (Wang Chia-li), director of CHIEN CHIN CHOU KAN [PROGRESS WEEKLY], which is a non-KMT magazine in Taiwan, was also shocked at the strange death of Chiang Nan. She said: Chiang Nan's work "The Biography of Chiang Ching-kuo" is easily obtainable in Taiwan, and many intellectuals have read the book and thus have some understanding of its contents. With regard to the motive of the murderers, she said that "this incident is really very strange."

Yeh Yun-yun, chairwoman of the magazine TAIWAN AND THE WORLD of the United States which had not long before carried Chiang Nan's "Wu Kuo-chen -- Reminiscences of Bygone Days at the Age of 80," said she felt very astonished and sad at hearing the sad news of Chiang Nan's death.

In addition, at 0300 on 16 October, the CHINA POST sent an urgent dispatch from San Francisco: "After the assassination of the writer Chiang Nan, the police demanded that China Airlines hand over the namelist of all the Taipei-bound passengers for 16 October."

WANG BINGNAN'S MEMOIRS ON SINO-U.S. TALKS

In GUANGZHOU RIBAO, SHIJIE ZHISHI

HK110929 Guangzhou GUANGZHOU RIBAO in Chinese 29 Sep 84 p 4

[Report: "GUANGZHOU RIBAO To Publish in installments Wang Bingnan's Memoirs 'The 9-year Sino-U.S. Talks in Retrospect'"]

[Text] Together with the magazine SHIJIE ZHISHI, this newspaper will begin on 1 October simultaneous publication of the 50,000-character memoirs "The 9-year Sino-U.S. Talks in Retrospect" written by Wang Bingnan, a well-qualified Chinese diplomat.

The Sino-U.S. ambassadorial talks, which started in 1955 and adjourned in 1970, lasted 15 years, with a total of 136 rounds being held in all. The duration, the number of rounds, and the intensity of the talks were something very uncommon in the history of modern international relations. As China's first negotiator at the talks, Wang Bingnan had dealings with three U.S. ambassadors one after another. He thus gained rich experience in conducting talks. The memoirs truly and vividly represent the whole process of the Sino-U.S. ambassadorial-level talks in those years and give a true and vivid description of Wang Bingnan's American counterparts, U. Alexis Johnson, Jacob Beam, John Cabot, and former U.S. Secretary of State John Foster Dulles. The memoirs also reveal the true facts of the Geneva Conference on the Indochina issue and include many episodes whose details were previously unknown to many people.

Part I

HK161516 Guangzhou GUANGZHOU RIBAO in Chinese 1 Oct 84, p 3

[Article by Wang Bingnan: "Nine Years of Sino-U.S. Talks in Retrospect" -- Part 1]

[Text] Contents

Preface

Chapter I

- The Geneva Conference
- Two Major Topics for Discussion
- Unexpected Results
- Four Rounds of Talks

Chapter II

- The Geneva Conference
- The Choice of the CPC Central Committee
- "China Rushes to Take the Initiative"
- Entering the Substantial Stage of Talks
- "An Excellent Move"

Chapter III

- The Warsaw Talks
- The Crisis Over the Taiwan Strait
- The Talks Shift to Warsaw
- The 100th Round of Talks
- The New Tricks of John Fitzgerald Kennedy
- An Important Development
- Returning Home on Orders

Annexes (Omitted)

Preface

In 1979 I flew over the Pacific Ocean to make my first trip to the United States. This trip was of special significance to me, especially because during this trip I was to meet my three counterparts at the Sino-U.S. ambassadorial talks which had caused a sensation throughout the world 20-odd years ago. They were U. Alexis Johnson, Jacob D. Beam, and John M. Cabot. All three were retired, having left diplomatic service. Living their remaining years in ease and comfort, they had already written their own memoirs and participated in research on various academic matters. When we firmly shook hands, looking closely at the changes in each other and smiling, none of us could contain our excitement. Past events seemed to have happened only yesterday and were impressively real to us. We had all experienced the special talks and struggles in the history of Sino-U.S. relations. Although the talks have become a part of history, they still left us with a feeling that "this kind of thing is truly over."

We all -- these three who were the negotiators on the U.S. side, and I, the negotiator on the Chinese side -- agreed that what has been achieved in Sino-U.S. relations today is not unconnected with the previous Sino-U.S. ambassadorial talks and the role they played. It was out of just this sentiment that they received me cordially, like an old friend. Beam invited me to be a guest in his home and Johnson gave a banquet to entertain me in a high-class club in Washington, where host and guest toasted each other repeatedly, recalling the past and comparing it to the present. When I arrived in Boston, Cabot gave me an especially grand banquet in his luxurious garden home facing the Atlantic Ocean and invited all the celebrities in Boston to attend a gala banquet. The whole banquet was full of friendly sentiments and warmth. As we recalled the events of those years and spoke glowingly of present and future Sino-U.S. contacts, all sorts of feelings welled up in our minds. Who would have imagined that the two opponents crossing verbal swords at the conference table would be talking cheerfully and humorously now at the banquet table?

The Sino-U.S. ambassadorial talks started in 1955 and adjourned in 1970, lasting 15 years with a total of 136 rounds. The duration, number of rounds, and intensity of the talks were the sort of activity seen in modern international relations. As the first PRC negotiator at the talks, I participated in the talks for 9 years from their beginning to 1964. It was precisely during this period that the U.S. authorities were extremely hostile to China, and China and the United States were in a state of mutual isolation and antagonism. I first dealt with Johnson, then with Beam, and last with Cabot. In those years, when we knew each other as opponents in the talks, we were in the prime of life and held important posts respectively in our own government departments with enterprising spirits, but getting together again now, we were already in our sixties. After nearly 30 years of trials and hardships, the whole world has undergone enormous shifts and taken on a greatly changed face.

After going through various situations, there was a turn in the tide of events in Sino-U.S. relations and the two countries eventually entered a new historical stage of establishing and developing diplomatic relations. It is precisely this change that stirred my memories and led me to write of the complicated, tortuous, and extraordinary Sino-U.S. ambassadorial talks. History is always a reference book of practical value. Reviewing past events may help people, young people in particular, understand that the road taken to normalize Sino-U.S. relations was rough and bumpy and also understand that the friendly contacts between the peoples of China and the United States of the present did not come easily, but are the result of the endeavors of a generation.

I hope this will also help people understand current Sino-U.S. relations and the Taiwan question, which has hindered to this day the further development of Sino-U.S. relations.

I begin my memoirs with the illustrious name of Zhou Enlai. He was the leader and commander in the struggle during the 15 years of talks and also the leader for whom I have the greatest respect. I worked under his direct leadership for 30 years. Long ago he said: Both China and the United States are big countries. It is unwise for us not to have contacts with the United States, and if there are to be contacts, there must be channels. The Sino-U.S. ambassadorial talks were precisely such a channel. In a situation in which China and the United States had no diplomatic relations, the two countries promoted mutual understanding and discovered each other's true intentions through this channel.

There have been numerous comments from the world community on these marathon talks. Each of my negotiating counterparts has also published his memoirs. It is said that some high-ranking officials among the Taiwan authorities have gone over the whole transcript of the Sino-U.S. ambassadorial talks in the United States and had to acknowledge that during the whole talks process, the PRC negotiators did adhere to principle.

Part 1

HK171455 Guangzhou GUANGZHOU RIBAO in Chinese ... 64 p 3

[Article by Wang Bingnan: "Nine Years of Sino-U.S. Talks in Retrospect" -- Part 2]

[Text] Chapter One: The Geneva Conference

Two Important Topics

My reminiscences will begin with the proposal for the talks, and date back to an international conference held in Geneva, Switzerland on 26 April 1954. This conference is known to history as the Geneva Conference. It should be said that the prologue to the Sino-U.S. ambassadorial talks began with the Geneva Conference.

The Korean war -- a great conflict with China and Korea on one side and the United States on the other -- had just ended. The United States, through its defeat, came to realize New China's strength. Eisenhower, who had just come to power, was in a hurry to relieve the United States from its passive position in Asia and our party had greatly eliminated the social foundations of imperialism in China -- the counterrevolutionary forces and the ideas of worshipping, dreading, and fawning on the United States. Chairman Mao said that it was necessary "to clean house before inviting guests in," and the new period of unfolding work in foreign affairs in an all-round manner had arrived. On the other hand, of course, the United States did not resign itself to defeat; and since it had lost China, it turned Japan into its major strategic base in the East, armed Taiwan, established a foothold in Vietnam, and increased its control over other Asian countries. The United States established battlefields encircling the PRC in a planned way, simultaneously blocked China's entrance into the United Nations, and implemented an economic blockade against China in an attempt to create difficulties for New China's existence and development. However, the general situation in Asia was relaxed due to the Korean war truce. Therefore, the Soviet Union, at a foreign ministers conference in Berlin in February 1954 in which the Soviet Union, the United States, the United Kingdom, and France participated, proposed that a conference be held in Geneva to seek a peaceful settlement of the Korean issue and to restore peace in Indochina. After struggles and talks the proposal was put into effect, with China attending the conference as one of the big five countries which also included the Soviet Union, the United States, the United Kingdom, and France.

Although the United States insisted on writing into the communique that China's participation in the conference did not imply U.S. diplomatic recognition of China, it was actually the first time China had taken part in an international conference as a big power since New China was founded, and it was also a turning point for New China's playing an important role in world affairs. Facts have proven that the United States was very much afraid of China's voice in world affairs; however, it could not stop New China from stepping into the international political arena, striding like a giant.

The party central committee attached great importance to this conference. On 19 April, the government of our country formally appointed Premier Zhou Enlai, concurrently minister of foreign affairs, as the chief representative of our delegation to the Geneva Conference. The other representatives were Vice Ministers of Foreign Affairs Zhang Wentian, Wang Jiaxiang, and Li Kenong. At that time, I was serving as director of the General Office of the Ministry of Foreign Affairs, and I acted as the secretary general of the delegation, in charge of its administrative affairs. The central authorities instructed that, at the conference, we should "strengthen our diplomatic and international activities in order to counter the U.S. imperialist policies of blockade and embargo, arms expansion, and war preparations, and promote relaxation of the tense world situation." At the same time, we should do our utmost to reach some agreement, "so as to help open the road to solving international disputes through negotiations by the big powers."

In order to be successful at the conference, Premier Zhou exerted all his efforts and involved himself in every detail. It had not been long since the founding of New China, and it had met many difficulties in the world. Many countries dared not recognize China because of their lack of understanding or because they were subjected to pressure by the United States. Premier Zhou repeatedly instructed that it was necessary to open up a new situation in our country's diplomatic front through this conference, so that more countries would understand New China, and we should strive to establish diplomatic relations with them. At that time, the delegations of some countries were tremendously big, comprising a large number of people. We proposed to the premier that we too should send more people, including specialists and people of all circles, because this was the first time New China had participated in such an important international activity since its founding. On the one hand, this was because of the need to deal with work in all fields and would be helpful in making contacts in breadth and depth with the various countries participating in the conference; on the other hand, we could let more comrades go abroad in order to expand their vision and increase their experience in international struggles; at the same time, we could also demonstrate New China's strength in foreign affairs.

Part 3

HK180740 Guangzhou GUANGZHOU RIBAO in Chinese 4 Oct 84 p 3

[Article by Wang Bingnan: "Nine Years of Sino-U.S. Talks in Retrospect" -- Part 3]

[Text] Premier Zhou entrusted me to make preparations for the delegation, to propose the delegation's personnel list, to draw up the regulations and discipline for the delegation, to prepare data on various issues involved in the conference, the uniforms, and so on. Here speaking of our clothing, in retrospect I find it very amusing. It was my opinion that the dress of the members of the Chinese delegation should be solemn and grave, so I selected some sort of black material, and had Chinese tunic suits made out of it for every member of the delegation. Later, when we appeared in those suits in the streets of Geneva, we found that passersby would stop, take off their hats, and salute us respectfully. We found out later that only priests wear black suits in Switzerland so many people had mistaken us for missionaries. That was a small incident, but it also showed that we had much to learn the first time we went out into the world.

Of course, the Swiss people were very friendly towards us, and would become warm and enthusiastic the moment they found out that we were the Chinese delegates. The open and clear smiling faces of the Swiss people and their friendly manner made a very good impression on us.

In order to do a good job in the conference, we made all kinds of preparations day and night. The data sent to me alone covered a whole floor. According to the premier's instructions, we were split into several groups according to specialities; several meetings were called and sometimes I had to talk with individuals, so I was very busy.

At that time, Huang Hua was the delegation's spokesman, while Gong Peng was in charge of the press. In order to deal with all kinds of questions at the scheduled press conference, we held a simulated press conference among ourselves. Everyone attending it posed questions, while the spokesman answered them to find out whether their answers were appropriate. The seething scene was most inspiring with everyone pooling his wisdom and efforts.

On the eve of our departure, Premier Zhou called a meeting of all delegation members. He pointed out that everyone, no matter what his position, should observe the regulations and discipline of the delegation and not violate them in any way. Premier Zhou himself was a model in setting an example. He also asked me to look for two capable chefs so we could invite guests to dinner and make friends during the conference.

I arrived in Geneva early with the advance party to arrange for the delegation's lodging and security and to find out about the final conference schedule and agenda. Geneva is a city in which international conferences are often held. The United States, the Soviet Union, and other big countries were hiring large villas there and even whole hotels. With the recommendation of some friendly people, we rented a large villa in the suburbs with a beautiful garden attached to it; we also reserved a whole floor of a hotel. Humorously, we called this villa "Huashan Villa." The landlord and landlady showed friendly feelings toward New China. In 1961, when Comrade Chen Yi led the Chinese delegation to attend the second Geneva Conference, they also stayed there.

On 20 April, the Chinese delegation headed by Premier Zhou left Beijing for Geneva via Moscow on a special plane.

On 24 April, the Chinese delegation and the Soviet Government delegation headed by Molotov arrived in Geneva in succession.

There was no grand welcoming ceremony at the airport; however, several hundred reporters were gathered around the Chinese delegation, vying for photographs. When Premier Zhou's agile body appeared at the door of the passenger compartment, there was ferment in the crowd, the reporters surged forward, and the dignified and graceful bearing and natural and unrestrained manner of the premier became the focus of the reporters' cameras. Since this was the first large delegation sent by New China, it was all the more conspicuous, and Premier Zhou became the central figure in the reports of Western press circles. (to be continued)

XINHUA STUDIES U.S. FACTORY SIZE CHANGES

OW171958 Beijing XINHUA in English 1830 GMT 17 Oct 84

[Text] Washington, October 16 (XINHUA) -- In certain fields of American manufacturing industry, more smaller companies have emerged to meet the market demand for rapid change of products, product varieties and to reduce the redtapes of big corporate structures. Discarding the conventional business philosophy of "the bigger the size, the higher the efficiency", some big U.S. corporations have taken the belief that "small is beautiful" and have started to transform their factories into independent small ones.

General Electric Corporation's aircraft engine business group, which used to concentrate its production in two huge complexes, now has shifted its manufacturing to eight smaller "satellite" plants. Consumer-goods giant S.C. Johnson and Son Inc. has increased its manufacturing efficiency by dividing its 1,200 work force at one plant into four smaller groups.

According to recent statistics from the Duke University, the average size of plants measured by number of employees for 410 major manufacturers is: For those plants built before 1970 and still operation in 1979, the average number of employees is 644; for those opened between opening in the 1980's, the number is 210. Factory automation has something to do with the trend of size shrinkage, but there are other factors.

Cited merits of small-size plants are rising productivity, decreasing bureaucracy, and smoother labor relations. The new business idea came during the 1970s when the U.S. corporations, usually larger in size than companies elsewhere in the world, began to feel the pressure of international competition, especially in steel, where the emphasis on a variety of specialized products favored smaller plants to the cumbersome giants. Another important factor that incubated the new business idea was the technological change, which shortened the product life of certain items or made large amounts of existing plant capacity uncompetitive.

Business people in the U.S. believe that another way to increase production efficiency is slashing layers of plant management, emphasizing team approaches to problems, and shortening lines of communication between departments of a company. Some companies have reported positive results of such transformation. The Kollmorgen Corporation, a producer of printed circuit boards and small industrial motors, has created five separate product groups in its printed circuit division. Within a year, the division grew from a sales volume of 280,000 dollars per month to a profit of 280,000 dollars per month. In Westinghouse Electric Corp.'s office furniture plant, waste has been reduced dramatically thanks to reduced size of operation, which enables the management to learn more about the details of their business and have their plans transformed into action more efficiently.

So far, the change is effective in only certain fields of manufacturing industry. For aircraft makers or for personal computer manufacturers, huge factories often win the competition because, in the former case, huge plant facilities are needed and in the latter, large-scale assembly lines would reduce the cost.

GU MU MEETS WITH JAPANESE COMMENTATORS

LD190157 Beijing XINHUA in English 1242 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- State Councillor Gu Mu said here today that the key to China's urban economic reform was to change those irrational institutions that hampered the development of the productive forces.

Meeting a delegation of Japanese local newspaper commentators here this afternoon, Gu said the reform covered the planning system, the price structure and government management of enterprises.

The overall purpose of the reform was to change those irrational rules and regulations in management, provide enterprises with more decision-making power and vitality, and increase production, he explained.

On the reform of the price structure, Gu said the present price structure, which did not reflect the value of commodities and the relationship between supply and demand, must be changed. Since the reform would affect wide sectors of society, a cautious attitude must be taken, he said.

The result of the reform should be conducive to production and circulation while exerting no adverse effects on the life of the people.

Discussing the wage reform, Gu said that the general principle was that wages could be raised only along with the increase of production and improvement of economic results.

Gu also answered other questions from the visitors. Li Gin, deputy editor-in-chief of XINHUA NEWS AGENCY, was present.

The delegation led by Takashige Otsuka, chief editorial writer of KYODO NEWS SERVICE, arrived in China on October 13 at the invitation of XINHUA and will leave for home tomorrow.

JAPANESE RADIOPHONE TECHNOLOGY TO BE IMPORTED

LD182043 Beijing XINHUA in English 1800 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- An agreement on importing radiophone production technology and production lines from Japan was marked at a reception here today. Present were more than 100 people including Vice-Minister of Electronics Industry Zhang Xuedong; Koji, Matsui, president of the Japan Radio Co Ltd; and Peter C. Tsang, managing director of the INFA Corporation Ltd of Hong Kong.

The production technology to be imported will use microchips and integrated circuits to produce ultrahigh frequency duplex radiophones which are small in size and stable in performance. They are widely used in communications for oil development, geological prospecting, transportation, civil aviation and tourism. The pact was signed by the China International Trust and Investment Corporation and INFA Corporation Ltd, an agency of the Japan Radio Co Ltd in Hong Kong, on September 30.

The production line, which has an annual production capacity of more than 10,000 radiophones, will be installed at the Fushun radio factory in northeast China's Liaoning Province. It will go into operation next July.

I. 19 Oct 84

D 2

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

WANG ZHEN, JAPANESE WOMEN'S DELEGATION MEET

OW181934 Beijing XINHUA in English 1844 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee, met here this afternoon with a women's delegation from the Japanese Sokagakkai Society led by Yumiko Hachiya, director of the women's department of the society. Wang Zhen, who is honorary president of the China-Japan Friendship Association, and Yumiko Hachiya expressed the hope that the future generations in the two countries would strengthen their friendly relations.

JAPAN, HEILONGJIANG TO COOPERATE IN WOOD RESEARCH

OW180905 Beijing XINHUA Domestic Service in Chinese 1700 GMT 15 Oct 84

[Text] Beijing, 15 Oct (XINHUA) -- In accordance with the agreement between the Chinese and Japanese Governments on technical cooperation, the PRC forestry delegation and the Japanese agreement implementation delegation signed in Beijing this afternoon a summary of the talks on technical cooperation in a research project to make multipurpose use of wood in Heilongjiang Province.

According to the summary, the Japanese side will assist the Heilongjiang Provincial Wood Industrial Research Institute in developing new techniques and will transform it into a research institute for making multipurpose use of wood. The Japanese side will also provide the institute with the necessary equipment and materials gratis, send experts to guide its work, and admit Chinese scientists and technicians into Japan for advanced studies.

XIAO HUA RECEIVES DPRK REUNIFICATION DELEGATION

LD181653 Beijing XINHUA in English 1442 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- Xiao Hua, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, held discussions with a delegation from the Korean Democratic Front for the Reunification of the Fatherland here today.

The delegation is led by Yo Yong-ku, vice-chairman of the Standing Committee of the Supreme People's Assembly of the Democratic People's Republic of Korea. Xiao Hua and Yo Yong-ku briefed each other on their respective organizations. Xiao said that both the CPPCC and the Korean DFRF were united front organizations and were facing the task of promoting national reunification and socialist construction and safeguarding world peace. He said he hoped that the two organizations would strengthen contact and cooperation and swap experience. Yo Yong-ku said that the task of Korean DFRF was to mobilize all the patriotic forces in the country to fulfill various tasks of socialist construction put forward by the party and government and to promote and independent and peaceful reunification of Korea. She said she hoped to see increased friendly relations and cooperation between the two organizations.

NODONG SINMUN CITED ON BOOSTING DPRK EXPORTS

OW182218 Beijing XINHUA in English 1914 GMT 18 Oct 84

[Text] Pyongyang, October 18 (XINHUA) -- The Korean paper NODONG SINMUN today said editorially that it is imperative for the country to develop the production of export commodities in a big way and fulfill its export plan.

1. 19 Oct 84

D 3

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

The paper said it is the party's policy to promote trade with other countries especially the socialist states on the basis of a sound self-sustaining national economy. It urged all related enterprises to fulfill their production quotas, improve the quality of their products and deliver them on time.

PRC-DPRK FRIENDSHIP TOWER REBUILDING COMPLETED

LW182152 Beijing XINHUA in English 2000 GMT 18 Oct 84

[Text] Pyongyang, October 18 (XINHUA) -- Pyongyang has completed the reconstruction of the Korean-Chinese friendship tower erected in 1959. Ten meters higher than the former one, the new tower keeps the original shape with the tower inscription moved to the front side and the gate to the back side.

The tower, surrounded by 120,000 square meters of trees, flowers and lawns, was rebuilt with 1,025 pieces of granite, believed to honor the date of October 25, 1950 when the Chinese Volunteers came to help Korea resist the U.S. invasion. In the center of the luxuriously-decorated hall is a 100-kilogram alloy copper box which keeps the name lists of the dead Chinese Volunteers.

More than 500,000 Koreans, including senior party and government officials, the aged and school children, came to offer volunteer labor throughout the 10-month reconstruction starting last November 4.

SOUTH KOREA STUDENTS DEMAND DEMOCRATIZATION

OW181930 Beijing XINHUA in English 1900 GMT 18 Oct 84

[Text] Pyongyang, October 18 (XINHUA) -- South Korean students carried out protest activities in Seoul in the past few days to demand democratization, according to reports from that city.

In the Seoul National University, more than 1,500 students decided at an urgently rally on October 16 to boycott the mid-term examination as an action to strive for democratization. On October 15, more than 2,000 students of a girls high school held a sit-in protest to boycott the celebration of the founding anniversary of the school. Meanwhile, more than 200 students of the Jungang University carried out a 10-day struggle against the decisions made by the university authorities to abolish some courses. The struggle ended yesterday after the resignation of the president of the university.

LEADERS MEET HONG KONG MING PAO DIRECTOR

Hu Yaobang, Hu Qili

OW191210 Beijing XINHUA in English 1203 GMT 19 Oct 84

[Text] Beijing, October 19 (XINHUA) -- General Secretary of the Chinese Communist Party Central Committee Hu Yaobang had a 100-minute talk with Louis Cha, director of the Hong Kong newspaper MING PAO here this afternoon. Their discussions covered China's agricultural and industrial production, the forthcoming economic reform in the urban areas, promotion of younger cadres to leading positions, and a number of other issues. Present were Hu Qili, member of the Secretariat of the CPC Central Committee, Wang Zhaoguo, director of the committee's General Office, and Li Menghua, minister in charge of the State Physical Culture and Sports Commission.

Ji Pengfei

HK190749 Beijing ZHONGGUO XINWEN SHE in Chinese 1346 GMT 18 Oct 84

[Text] Beijing, 18 Oct (ZHONGGUO XINWEN SHE) -- Ji Pengfei, state councillor and director of the Hong Kong and Macao Affairs Office under the State Council, met in the Great Hall of the People this afternoon with Zha Liangyong [2686 5328 6978], director of the Hong Kong newspaper MING PAO, and feted him, his wife, and his and his daughter.

Zha Liangyong arrived in Beijing on invitation on 17 October. Also present at the this afternoon's meeting were Li Hou, deputy director of the Hong Kong and Macao Affairs Office under the State Council; Wang Kuang, adviser to the office; and Xu Cai, vice minister of the State Physical Culture and Sports Commission.

BA JIN RECEIVES HONORARY DEGREE IN HONG KONG

OW182154 Beijing XINHUA in English 1915 GMT 18 Oct 84

[Text] Hong Kong, October 18 (XINHUA) -- Noted Chinese writer Ba Jin was conferred the honorary degree of doctor of literature by the Chinese University of Hong Kong here today. The ceremony was presided over by Sir Edward Youde, the British Governor of Hong Kong and chancellor of the university.

The university's citation said the degree was conferred "in recognition of Ba Jin's immense contribution to the modern literary movement of China throughout the past 60 years, in recognition of his moral courage and life-long search for truth, and in recognition of his powerful call upon the Chinese people for improving themselves and keeping up with this rapidly changing age."

Ba Jin called the award an encouragement and support for his writing. Others also receiving honorary degrees today include William Watson, Lydia Dunn, T.L. Yang and Li Dak-sum. Ba Jin was earlier awarded the Dante International Award by the Dante Alighieri Society of Italy in 1982, and the title of commander of the legion of honor by French President Francois Mitterrand in 1983.

HUANG HUA MEETS FORMER THAI DEPUTY PREMIER

YD190233 Beijing XINHUA in English 1307 GMT 18 Oct 84

[Text] Beijing October 18 (XINHUA) -- Huang Hua, vice-chairman of the Standing Committee of the National People's Congress, met Thanat Khoman, former Thai deputy prime minister, here this afternoon.

I. 19 Oct 84

E 2

PRC INTERNATIONAL AFFAIRS
SOUTHEAST ASIA & PACIFIC

During the meeting, they discussed the situation in Southeast Asia.

Also present were Chai Zemin, vice-president of the Chinese People's Institute of Foreign Affairs, and Thai Ambassador to China Orachun Tanaphong. Thanat Khoman and his party arrived here on October 16. They will leave here tomorrow for a tour of Xian, Guilin, Guangzhou and Shenzhen.

AUSTRALIAN MINISTER ON JOINT GEOLOGICAL SURVEY

OW180813 Beijing XINHUA in English 0652 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- Australia and China have agreed on a joint geological survey of mineral resources in China, Australian Minister for Resources and Energy Peter Walsh said here today.

Speaking at a press conference here this morning, Walsh, who is on a week-long visit to China, said that an Australian mission would visit China early next year to select a specific region out of four or five proposed by China for detailed study and lay down a joint work program for mineral resources assessment.

Walsh came to Beijing October 14 and has since conferred with officials of China's Ministries of Geology and Mineral Resources, Petroleum Industry, Coal Industry, Foreign Economic Relations and Trade and the State Economic Commission.

On possible cooperation between the two countries in the coal industry, Walsh said that China desired to reach cooperative agreement with Australia on the exchange of coal technology, production and preparation for market. He said the two countries had agreed on a final memorandum of understanding to this effect which was expected to be signed before the end of his visit. He also said that Australia was very much interested in supplying high quality iron ore and, if possible, coal to China's steel plant at Baoshan.

To rectify the imbalance of trade between the two countries which was in Australia's favor, Walsh said China proposed to export crude oil to Australia. The Australia market could absorb one million barrels a year, but there were still technical and economic problems to be solved. However, two Australian firms would be holding further discussion on this with the Chinese side.

He said that Australia welcomed China's recent decision to make provisions for a joint venture with foreign firms for onshore petroleum exploration. Three Australian companies had been involved in offshore petroleum exploration and one was currently involved in negotiations on onshore oil exploration in China, he added.

MARCOS RECEIVES PRC JOURNALISTS' DELEGATION

OW182028 Beijing XINHUA in English 1855 GMT 18 Oct 84

[Text] Manila, October 18 (XINHUA) -- Philippine President Ferdinand Marcos received a delegation of Chinese journalists here today. Marcos expressed his satisfaction with the relations between China and the Philippines and said that the country was pleased at the continuing visits from the People's Republic of China.

The five-member Chinese delegation arrived here on Tuesday at the invitation of the National Press Club of the Philippines for a two-week visit.

ZHANG MING AT LECTURES ON PLA-VIETNAM BATTLES

OW190603 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 15 Oct 84

[Excerpts] More than 2,000 commanders and fighters of the leading body of the Nanjing Military Region gathered at a meeting this morning to warmly welcome a group of heroes of the self-defensive Laoshan and Zheyinshan battles against Vietnam. The group of heroes were giving their first lectures in the military region.

Leading comrades of the Nanjing Military Region, the Central Military Commission's party-rectification liaison man in the Military Region, leading comrades of Jiangsu Province and Nanjing City, and old comrades staying at the second or third line attended the meeting.

In their lectures of the meeting, (Chen Enke) and four other comrades briefed those present on the self-defensive Laoshan and Zheyinshan battles against Vietnam. Their descriptions of the frontier guards' heroic and moving deeds in the battles drew repeated warm applause from the audience.

On behalf of the leadership, organs, commanders and fighters of the Nanjing Military Region, Deputy Commander Zhang Ming spoke at the meeting. He called on the units under the Military Region to use the heroic and exemplary deeds performed by frontier guards in the battles as teaching materials on patriotism and revolutionary heroism, to derive wisdom and strength from them, and to effectively carry out reforms in and build the Armed Forces.

RENMIN RIBAO EXPECTS NO INDIA-PAKISTAN WAR

HK191026 Beijing RENMIN RIBAO in Chinese 19 Oct 84 p 6

["World Affairs" column by Wen Zheng: "South Asia Needs Peace"]

[Text] Since the beginning of October, it has been reported time and again from India that India "is facing an increasing threat of war" and that a war will break out between India and Pakistan before the end of this year. It seems that relations between India and Pakistan have again become strained, which has naturally attracted the attention of people concerned about peace in South Asia.

Over the past few years, both India and Pakistan have made unremitting efforts to improve their relations. The India-Pakistan joint committee at the ministerial level, which was established last year, has opened up a new path for the development of economic cooperation between the two countries. After the India-Pakistan talks on trade this year, the two countries expressed their desire to greatly increase bilateral trade. The two countries also took effective measures to develop tourism and cultural exchanges. Since May this year, the foreign ministers and secretaries of the two countries have held several meetings on the proposal on signing a no-war and friendship treaty between India and Pakistan and have made some progress. The leaders of the two countries have time and again expressed their strong desire for developing broad, good-neighborly relations. Viewed from the general trend of the two countries' relations this year, people believe that relations between the two countries are not deteriorating, but improving. This is a good thing which people are happy to see and which is beneficial to peace in South Asia and the world.

Therefore, it is hard for people to believe that a war is likely to break out between India and Pakistan.

In the present situation, there is no reason for India and Pakistan to go to war with each other. There were some differences and conflicts between India and Pakistan after independence, but that is in the past. Furthermore, relations between the two countries have in recent years improved and the strained situation has been eased to a certain extent. What the peoples of the two countries are most concerned about at present is how to remove the adverse effects of the worldwide economic crisis and develop their economies. We believe that neither India nor Pakistan will spend its human, material, and financial resources on a war because neither can afford it.

Located close to the Indian Ocean and bordered by Southeast Asia and West Asia, South Asia is an important strategic region. In the present international situation, maintaining peace and stability in South Asia in order to prevent contention between the superpowers from spreading directly to this region, has an important bearing on peace in the South Asian countries, in Asia, and in the rest of the world. We believe that India, Pakistan, and the other countries understand this and that they are willing to contribute to strengthening friendly cooperation between the South Asian countries. As a large country in South Asia, India occupies an important position in South Asian international relations. Generally, an important position brings important responsibilities. The conference of foreign ministers of seven South Asian countries, which attracted world attention, explicitly stated that the seven countries wanted to further strengthen cooperation in the South Asian region and to take the road of collective self-reliance. Undoubtedly, India will play an important role in this regard. We expect more voices to be raised in maintaining peace and developing friendly cooperation in South Asia but we expect no news about possible wars in this region.

ZHANG JINGFU MEETS DANISH BUSINESS EXECUTIVE

OW181324 Beijing XINHUA in English 1831 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- Chinese State Councillor Zhang Jingfu today discussed Sino-Danish cooperation in harbor and railway construction with Niels Frandsen, chairman of the Civil Engineering Construction Company of Denmark. Their discussions focused on using low-interest loans to construct a coal terminal in north China's Qinhuangdao Harbor and a railway from Datong in Shanxi Province to Qinhuangdao.

Frandsen had held talks with senior officials in the Chinese Ministries of Communications and Railways since his arrival here on October 15. Views about construction of harbors and railways were exchanged at these talks.

Frandsen and his party are scheduled to leave on a tour of Qinhuangdao shortly to study the port facilities there.

BELGIAN MINISTER ON PRC INDUSTRY'S POTENTIAL

OW182346 Beijing XINHUA in English 1908 GMT 18 Oct 84

[Text] Brussels, October 17 (XINHUA) -- A China devoted to modernization will be a challenge to European industry, said Belgian Minister for Economic Affairs Mark Eyskens here today. Speaking at an international seminar on trade with China, Eyskens also expressed the hope that the Belgian Government would assist China with its modernization plans in various ways -- through exports, technology transfers, provision of credit and joint ventures.

He described Belgian-Chinese relations as excellent, and called on Belgian enterprises, big and small, to invest in China. He pledged his government's backing for the enterprises in their activities in China. "We are very optimistic at the development of relations between China and West European countries, including Belgium." Over 170 delegates from the country's enterprises and banks attended the seminar.

M.R. Berger, adviser to a bloc of British trade groups, spoke at length on China's potential in world trade. Belgian Ambassador to China M.R. Denorme also dealt with the prospects for trade with China. M.V. Pillay, economic adviser to the London branch of the Bank of China, spoke on financial issues related to China's foreign trade.

Chinese delegates attending the seminar by invitation spoke on the prospects for economic and trade cooperation between Western Europe and China, on the priority given to Western Europe in trade with China, on China's special economic zones, and on reforms in China's foreign trade.

Delegates from Belgian enterprises said after today's meeting that the seminar gave them a deeper understanding of China's open-door policy and voiced their determination to contribute to China's modernization.

TIAN JIYUN MEETS SAO TOME AND PRINCIPE DELEGATION

LD190204 Beijing XINHUA in English 1446 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- Vice-Premier Tian Jiyun met a trade delegation from Sao Tome and Principe led by Celestino Rocha da Costa, minister of foreign trade here this afternoon. Chen Jie, deputy to the minister of foreign economic relations and trade, was present.

YANG JINGREN, CPC DELEGATION LEAVE FOR SOMALIA

LD190209 Beijing XINHUA in English 1250 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- A delegation of the Chinese Communist Party led by Yang Jingren, member of the Central Committee of the CPC Central Committee and vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, left here for Mogadishu today to attend the celebrations of the 15th anniversary of the Somali revolution at the invitation of the Central Committee of the Somali Revolutionary Socialist Party. Among those seeing the delegation off at the airport was Qian Liren, head of the International Liaison Department of the CPC Central Committee.

ZAIRIAN GENERAL VIEWS NANJING PLA DEMONSTRATION

OW181407 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 16 Oct 84

[Text] General Singa, vice chairman of the Supreme National Defense Committee and chief of the General Staff of the Armed Forces of Zaire, and his entourage visited an Army division of the Nanjing Military Region and watched a demonstration of military tactics and skills by the PLA commanders and fighters this morning. The Zairian guests were accompanied by Tang Shudi, deputy commander of the Nanjing Military Region, and Zhang Tong, director of the Foreign Affairs Bureau of the Chinese Ministry of National Defense. General Singa highly praised the fine qualities and high technical standards of the commanders and fighters.

After listening to a brief report made by division commander (Chen Shaoyun), the distinguished Zairian guests from the African Continent went to the training ground to watch an infantry squad train. The commanders and fighters shot at their targets with live ammunition. Their outstanding results won warm applause from among the Zairian guests. After that, General Singa watched the members of the infantry squad attacking a target with live ammunition. The commanders and fighters shot at the target with various heavy and light arms. Later, General Singa told the responsible person of the division: What we saw here today shows that the Chinese Armed Forces, trusted by the Chinese people, are entirely able to defeat any enemy that dares invade the country. The bravery, dedication, and fine military techniques of the commanders and fighters have truly impressed us.

General and Madame Singa and their entourage left Nanjing via special plane this afternoon for Guilin.

SIERRE LEONE DELEGATION ARRIVES IN NANJING

OW182230 Beijing XINHUA in English 1854 GMT 18 Oct 84

[Text] Nanjing, October 18 (XINHUA) -- A Sierra Leonean parliamentary delegation led by Speaker William Conteh visited the Yangtze River bridge and Nanjing University here today. The delegation, which arrived here this afternoon, was also honored at a banquet given by the Jiangsu Provincial People's Congress Standing Committee here tonight.

XUE MUQIAO URGES MORE ECONOMIC REFORM STUDIES

HK180931 Beijing RENMIN RIBAO in Chinese 8 Oct 84 p 5

[Article by Xue Muqiao: "Strengthen Study, Usher in a New Situation in the Reform of the Economic System -- Written on the Occasion of the Publication of 'Reform of the Economic System in Contemporary China'"]

[Text] The development of the economic situation presently demands that we speed up the restructuring of economic systems and shift the focus of economic work from readjustment to reform.

In 1979, when our country began implementing the eight-character policy of readjustment, restructuring, consolidation, and improvement, we had to focus economic work on readjusting the national economy. At that time, due to the persistent "leftist" mistakes and in particular the sabotage of the 10 years of upheaval, there was a serious imbalance in the proportions among agriculture, light industry, and heavy industry and between accumulation and consumption; the scale of capital construction far exceeded the state's capacity; the people's standard of living did not show an improvement over that of 1957; energy, communications, and transportation far lacked behind demand; and social and economic returns were low. Under such circumstances, it was necessary to attach primary importance to readjusting the national economy. Only by readjusting the major proportions in order to achieve coordination could we obtain relatively smooth progress in rectifying the enterprises and would there be conditions for the overall launching of the economic system reform.

Over the past few years and in keeping in line with economic readjustments, we have carried out partial reform of and experiments in the economic system. Restructuring of the economic system in the rural areas was in the forefront and progress was quite fast. One reason for this was that the rapid restoration and development of agriculture -- which is the basis of the national economy -- was a prominent issue in overcoming the imbalance of the macroeconomic proportions. The 3d Plenary Session of the 11th CPC Central Committee stressed that the whole party must concentrate energy on promoting agriculture, and over the last few years we have made great efforts in speeding up agricultural development. Another reason was that rural reforms were relatively easier and there had been certain experiences in the 1960's regarding the reform of collective economic management in rural areas. Thus, we have rapidly smashed the trammels of "leftist" ideology in these few years, unswervingly reformed the practices incompatible with the development of the agricultural productive force in our country, comprehensively promoted the output-related system of contracted responsibilities, vigorously improved coordination of the national economy, and made great achievements.

Certain measures were also adopted over the past few years in order to reform the urban economic system, such as development of various economic forms, expansion of the decisionmaking right in enterprise management, pushing forward the economic responsibility system, and so on. We carried out experiments and probes in various areas and obtained considerable results, thus enlivening economic life. However, because the imbalance in the national economy had not been fundamentally rectified and neither financial nor economic conditions were strong enough to bear the strain, it was extremely difficult to push forward major reforms such as prices, wages, planning systems, and so on. Simultaneously, the level of socialized production in the urban areas was relatively high and economic relations were complicated; this caused great difficulties in reform work and thus a process of experiments and probes were necessary.

Thus, the pace of urban reform in these past few years had to be kept slow because the measures for reform were not well coordinated, the whole reform had not achieved a fundamental breakthrough, and the main flaws of the former economic system had not been solved.

Presently changes have taken place in the economic situation. The eight-character policy has been implemented for 5-odd years and there have been great improvements in the macroeconomy. Development of agriculture production was rapid over the past few years, average annual growth rate of the years between 1979 and 1983 was 7.9 percent, exceeding by far the average annual growth rate of 3.2 percent for the 26 years between 1953 and 1978; light industry also developed at a fast rate and the average growth rate of the 5 years was 11.2 percent, exceeding the average annual heavy industrial growth of 5.1 percent during the corresponding period. Remarkable achievements have been made in energy production and economy; production of coal and electricity increased to a large extent and crude oil production also overcame the declining trend and started to increase; the excessively high accumulation rate has been lowered from 36.5 percent to below 30 percent and there have been improvements in the people's consumption. In short, there have been remarkable achievements in readjusting the national economy, and as viewed from overcoming the imbalance of the major proportions, the readjustment tasks are considered to have been basically fulfilled. Of course, the readjustment tasks have not yet been completely fulfilled; for instance, energy, communications, and transportation are still unable to meet demand and the industrial structure still awaits improvement, and so on. However, viewed from an overall angle, our country's economy had shaken off the serious imbalance of major proportions and has proceeded on the path of wholesome development, and a new situation of steady growth and coordinated development can be seen. This provides an actual opportunity for speeding up the restructuring of the economic system. At the same time, our work in practicing and probing reform in these five years has accumulated valuable experiences in various aspects of urban reform which not only confirm the orientation and principle for reform but also provide specific assumptions for the various reform measures. This also provides subjective conditions for speeding up the pace of reform. Now, it is possible to extend the reform of the economic system from the rural areas to the urban areas.

It is not only possible to speed up the restructuring of the economic system in the urban areas, but it has already become a pressing demand. The success of rural reform in these few years has enabled the rural economy to develop at a tremendous rate, and our country's agricultural production is now facing a transition from self-sufficiency and semi-self-sufficiency to specialized and commercialized production. Such a transition urgently demands that we smooth urban and circulation channels and open up markets for the growing production of agricultural products in order to fulfill the peasants' growing demand for industrial products.

It is necessary to accelerate urban reform in order to suit the new situation caused by rural reform, otherwise, it will be detrimental to the smooth development of economic coordination between the urban and rural areas. As viewed from the situation of the reform of the economic system in the urban areas, the speeding up of the reform of the management system of the state-run economy has become an urgent task. During these few years and as a result of the expansion of rights in some of the state-run enterprises, the urban economy has been vigorously enlivened. However, since the past irrational system of management has not been basically altered, a series of contradictions are clearly exposed. Since the expansion of rights, the enterprises have started to actively carry out business and production activities, but the system of managing the economy by administrative methods is still in force and the activities of the enterprises are irrationally bound.

The relatively slow reform of the circulation system during these few years and obstacles in the circulation channels have caused many difficulties for the enterprises; the irrational system of pricing and price management has aggravated the abnormal situation of uneven satisfaction and hardship among the enterprises, and the phenomenon of "whipping the cow that runs fast and protecting the backward" is seen everywhere which hinders the enterprises in the course of further giving play to their initiative, the labor wage system in the enterprises is still detrimental to changing the situation of workers "eating from the same big pot," it is unable to award the diligent and punish the lazy or to enhance workers' labor initiative. Methods of planned management which suits the new situation are yet to be finished and this affects the effective launching of economic activities and so on. Similar questions are pressing and need to be solved, and there is an upsurge among the enterprises for accelerating the reform. This reflects an objective demand for an overall reform of the system of economic management. In view of the development of the whole national economy, our major task during the "Seventh Five-Year Plan" period is to maintain steady growth of the national economy, guarantee further improvement of the people's livelihoods and lay a sound foundation for economic development in the coming decade. We must rely primarily on technological renovation and expansion of the existing enterprises in order to fulfill this task. Technological renovation and revolution are the crux of economic development. The new global technological revolution also requires that we make efforts to catch up and speed up the process of technological renovation. In order to push forward technological renovation of the existing enterprises, it is presently necessary to speed up urban reforms and enable the management system of the state-run economy to possess a strong capacity in pushing forward technological advances. In short, speeding up of urban reform is an important task which determines the overall situation of the national economy. The development of the situation requires that we promptly shift the focus of economic work from readjustment to reform and push forward the advances of various kinds of work such as readjustment, consolidation, technological renovation, key point construction, and so on by means of reforms.

The Second Session of the Sixth NPC held in May this year has made a correct analysis of the prevailing situation and has resolved to grasp well two major affairs in future economic work, that is, restructuring systems and opening to the outside world. The meeting stressed the necessity to speed up urban reform, coordinate and simultaneously carry out various reform measures that suit the present situation by solving the relationship between the state and the enterprises and between the enterprises and the workers. The broad masses of cadres and people in various localities and various departments have been actively implementing the spirit of this resolution since this meeting; a strategic breakthrough has been brewing and a new situation in the system's overall reform will soon materialize.

We are inspired by such a promising situation and simultaneously feel profoundly responsible for it. The goal of our reform is to build a Chinese-style socialist economic system -- in a big state with a population of 1 billion -- that suits the national situation. This is a matter of life-and-death to the socialist cause and is of decisive significance in realizing socialist modernization. However, restructuring the system is a very complicated and tough task, and the restructuring of the urban economic system in particular, is even more complicated. The central link of urban economic reform is strengthening the vitality of the enterprises, primarily the state-run enterprises. It is necessary to make the enterprises shake off the position of being subordinate to the administrative organs and being the "beads of an abacus"; we must change the situation where the enterprises are unable to vividly launch production activities, enable the enterprises to enjoy a decisionmaking right in management and enjoy reasonable economic interests and enable them to become socialist production units which can run business independently and be responsible for their profits and losses, and which are full of vitality. It is not at all easy to achieve

this, it not only requires that we reform the management system of the enterprises themselves, but also that we accordingly carry out overall reform in the various aspects of the national economy's management system, and coordinate reforms of planning, finance, materials, commerce, labor wages, prices, credits, and so on. The reforms of prices and wages, which are directly related to the economic interests of hundreds of millions of people are particularly difficult. In order to ensure that the enterprises enjoy essential decisionmaking rights, it is necessary to draw a line between politics and enterprises, the state economic organs at various levels should only be concerned about macroeconomic planning, coordination, supervision, and service and should not interfere with the management of the enterprises. This reform is also a very difficult one. While we are carrying out such reform, we must pay attention to proper limits; we must on the one hand enable the enterprises to become production units that can run business independently, be responsible for their own profits and losses, and be full of vitality, and on the other hand, we must guarantee the planning of the national economy. We should properly combine these two aspects, and reform in all fields should also be carried out in this way. This is a complicated problem which should be seriously probed in actual practice and we must avoid, as far as possible, blindness in our work.

In order to greet this complicated task, our broad masses of cadres and people must further strengthen their studies. Comrade Hu Yaobang recently said. "At present, our whole party faces a problem which should be studied anew." This is an important call. Viewed from the situation of the past few years, there has not existed a counter-reform force inside our party, the majority of the cadres and masses are in favor of reform, and they have displayed great initiative in this respect. However, many comrades do not have an adequate understanding of how to carry out reform and are not good at probing the reform measures by combining macroeconomic and microeconomic views. At the same time, due to the fact that our practices in the past have been formed over a long period of time and some of them have played very positive roles in history and have thus become habits and that there is still a certain "left" bias, a small number of comrades are falling behind ideologically and their awareness of reform is a little backward. Such a situation shows that we need to actively study, improve our understanding of reform, promote essential knowledge for carrying out reforms in order to more spontaneously participate in the reforms.

Recently, the Chinese Social Sciences Publishing House published a book "Reform of the Economic System is Contemporary China" edited by Comrade Zhou Taihe. The book systematically recounts the historical process of the formation and development of the socialist economic system in China over the past 30-odd years, sums up in a scientific manner the experience and lessons of the several reforms in the past, and carries out serious studies and probes in how to establish a Chinese-style socialist economic system. The whole book is divided into three parts, the first part tells about the general process of the changes in the development of the economic systems in various periods; analyzes the history of the formation of our country's socialist economic system, its roles played and the existing flaws, explains the change of the economic systems in the various periods and the experience and lessons of the several reforms, particularly carries a practical analysis of the work on reform since the third plenary session, and envisages the future of reforms. The second part tells about the process and characteristics of the economic reform of the several representative departments (including planning, finance, commerce, materials, and several industrial ministries) and explains the historical progress of the various aspects of our country's economic system.

The third part tells about the specific process and characteristics of the economic reform in various representative areas and cities (including Shanghai, Sichuan, Liaoning, Chongqing, Changzhou, Shashi, and so on.) A prominent characteristic of the whole book is that it uses an enormous number of historical materials and facts that realistically reflect history and enrich the readers' knowledge. This book helps the readers understand the history, present situation, and trend of development of our country's economic situation. The publication of this book provides vivid and beneficial teaching materials for the broad masses of people and cadres who work for reform.

The publication of this book will play a very positive role in further probing our country's economic reform. The reform of the economic system in China can only proceed from the actual Chinese situation. We can draw guidance from the Marxist principles but we cannot find ready answers in the classical works. We also can draw references from other socialist countries' economic reform experience, however, to date, the various other countries are still probing and perfecting their reforms; different countries face different situations, and the experience which suits one country may not totally suit another. The only correct way is to proceed from our country's national situation, draw references from the experience of foreign countries and integrate the basic Marxist principles with the actual practice of reform in our country. This requires that we seriously study our country's characteristics, understand the history and the present situation of our country's socialist economic system, and pay attention to summing up experiences of actual practice. The book "Reform of the Economic System in Contemporary China" provides us with rich research materials for further probes. I am willing to recommend this book to the comrades and hope that more comrades will read this book, improve their essential knowledge, actively participate in the research and actual practice of reform, and contribute their efforts to the economic reform.

LARGER SERVICE SECTOR NEEDED TO BOOST ECONOMY

LD182039 Beijing XINHUA in English 1454 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- Service industries must be greatly expanded to keep pace with the burgeoning commodity production and meet the growing needs of China's open policy, the ECONOMIC DAILY says in a commentary today. It points out that more and better service trades should be made available to promote planned commodity production which is developing rapidly over the last few years with government encouragement.

The service sector includes a variety of non-productive industries such as banking, insurance, transport, catering, public health and tourism. Moreover, the article adds, such services are needed to accommodate the growing number of tourists and business people coming to China. About 10 million foreigners, Overseas Chinese and Hong Kong and Macao compatriots visit the mainland of China annually, it says.

In addition, the development of service trades can create more job opportunities for the surplus labor force both in urban and rural areas, where some 100 million people are easily available for starting new industrial and agricultural undertakings. The growth of service trades will also make life more convenient, the article says. Following a rise in living standards, people now have a greater demand for services. At present, service trades in China employ only about 15 percent of the country's wage workers. The article calls on individuals and collectives to set up more small businesses in this sector to absorb surplus labor force.

SUPERIORITY OF CADRE CONTRACT SYSTEM VIEWED

HK190638 Beijing RENMIN RIBAO in Chinese 15 Oct 84 p 1

[Report by Yan Yan: "Employment Contracts Offered to Township (Town) Cadres in 25 Provinces, Municipalities, and Autonomous Regions"]

[Text] Editor's note: Due to a long-standing lack of planned education in modern education, the quality of our rural cadres at the grassroots level is generally poor. They are not only relatively old in age, but also poor in both general education and professional knowledge. They fail to suit the needs of large-scale commodity production, thus affecting the modernization of agriculture. In an effort to solve this increasingly acute contradiction, numerous localities have broken away from convention in the employment of people at the grassroots level. They have succeeded in adding a vital new force to the contingent of cadres at the grassroots level and in changing the contingent's outlook by boldly implementing a contract system in the selection and employment of cadres. This is quite encouraging. The institution of the employment contract system is on the right track. It conforms to the current situation and the common aspirations of the people. It is hoped that all localities will proceed from the actual local conditions and vigorously carry out reform in this field in order to improve the quality of the rural cadres at the grassroots level. [end editor's note]

Presently, 25 provinces, municipalities, and autonomous regions throughout the country are practicing, partially or in an all-round way, a contract system in the selection and employment of township (town) cadres. More than 60,000 township (town) cadres have been selected and employed in this way.

The institution of the township (town) cadre employment contract system represents a new attempt at invigorating personnel work at the grassroots level. The unit hiring people checks on and determines the personnel to be employed, according to the needs of the work and the requirements of cadres, and signs contracts with them, specifying the duties, powers, and interests of the employed personnel and the responsibilities of the unit toward the personnel. When the contracts expire, both parties will discuss their renewal or discontinuation. Those personnel whose contracts are not renewed should return to their former production or work posts.

The cadres selected and employed in various localities are mostly ordinary working personnel in township (town) party, government, and mass organizations. Most of them are senior or middle school graduates in the rural areas and market towns or graduates from television, evening, or correspondence universities. Many of them are outstanding youths, including specialized households and model peasants in science and technology application, who have become rich through hard work and who want to lead the peasants in getting rich together. They support the party's line, principles, and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee, and they distinguished themselves during the "Cultural Revolution." They observe discipline and law, have a fine work style, and keep in touch with the masses. They have some work experience and organizational abilities because they once assumed leading posts at the grassroots level. They are generally about 30 years of age.

The township (town) cadre employment contract system was implemented a while ago, but its advantages are clear:

1) It has opened a channel by which cadres can be promoted, demoted, recruited, or dismissed, and has thus contributed to the elimination of the malpractices that have existed for a long time in the personnel system, such as the "iron rice bowl," the practice of "everybody eating from the same big pot," and the "system of lifelong tenure." 2) It has changed the structure of township (town) cadres in terms of age, education, and professional knowledge and has improved their quality. In Hubei Province, for example, 40.8 percent of the former township (town) cadres were over 41 years old and 75.3 percent of them had an educational level lower than that of a junior school graduate. Last year the province employed more than 2,700 cadres, 97 percent of whom were under 25 years old and 99 percent of whom had received senior middle school education or above. 3) It has expanded the decisionmaking power of the units hiring people and thus contributed to the discovery and use of personnel. In the past, the units hiring people had no power to employ personnel and the cadres needed could not be supplied in time. With the implementation of the cadre employment contract system, the units hiring people can select and hire cadres at any time according to actual needs. In this way they cannot only fill the vacancies of township (town) cadres in line with the authorized size of the organizations and the fixed number of staff members and thus promptly supply the urgently needed personnel, but can also select and promote personnel in various ways so that expert products, "local experts," and activists in building spiritual civilization, who have emerged in large numbers in the rural areas in recent years, can give full play to their wisdom and talent in their new posts. 4) It has opened up a source for township (town) cadres and contributed to the stability of the ranks of rural cadres. In the past many cadres assigned by the higher authorities were unwilling to go to rural townships (towns), particularly the mountain areas where the working conditions were hard, and those who went there were not content with their work. This problem has been solved with the implementation of the employment contract system. Outstanding local youths are selected and employed locally and they give up farm work without leaving the rural areas. The rural cadres selected and employed in this way love their native place, are familiar with local conditions, understand the aspirations of the peasants, and work contentedly. The broad masses call them "lasting brand" cadres.

FOREIGN FIRMS HELP EXPLOIT OFFSHORE OIL

HK180916 Beijing ZHONGGUO XINWEN SHE in Chinese 0107 GMT 16 Oct 84

[Report by Hai Lian: "China Has Achieved Great Success in Promoting Cooperation With Foreign Firms in the Field of Offshore Oil Exploitation" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 16 Oct (ZHONGGUO XINWEN SHE) -- China has cooperated with foreign countries in offshore oil exploitation for 5 years. Over the past 5 years, China has signed 23 contracts with 31 firms from 10 countries on the prospecting and exploitation of oil resources in the Bohai Sea, Southern Yellow Sea, the Zhujiang estuary in the South China Sea, Beibu Gulf, and Yingge Sea. Preparations for the invitation of a second round of bids for the exploitation of offshore oil resources are now under way.

Over the past 5 years, China and foreign firms have jointly drilled 61 wells for prospecting in the 5 basins bordering China's north and south coasts. More than half of these wells yielded oil. It is expected that the offshore oil and natural gas fields will be successively exploited and become productive by the late 1980's.

The cooperation between China and foreign firms in the exploitation of offshore oil resources began in 1979. China first signed a contract with Japan on the joint exploitation of the offshore Chengbei [8224 0554] oilfields in western Bohai and the oilfields in southern Bohai Sea. At present, China is carrying out cooperation with Japan in a region with a total area of 25,500 square km. Over the past 4 years, they have carried out a 22,000-km seismic linear survey and drilled 24 wells. Of these wells, 12 yielded oil and the highest daily crude oil output is as much as 1,600 tons. In addition, they have located 7 oil- and gas-bearing structures. The rate of successful prospecting is 50 percent. Now, they are conducting detailed surveys of two promising clusters of oil-bearing structures, namely "Bozhong 28" and "Bozhong 34," and are probing into the feasibility of exploitation.

The Chengbei oilfield in Bohai, being jointly exploited by China and Japan, has an area of 11.58 square km. By September of this year, two production platforms had drilled 40 wells in this oilfield. In addition, the construction of the dormitory, storage, and transportation platforms had basically been completed. It is estimated that the oilfield will begin producing oil in 1985 with an annual output of 400,000 to 600,000 tons.

Having prospected for oil for 4 years, China and France will proceed to jointly exploit part of the cooperative zone in Beibu Gulf in the South China Sea. Under the Sino-French agreement, they presently are studying the soil and designing the exploitation projects. By next year, they will build conduit frameworks and drill wells. By 1986, they will begin extracting oil. If trial production is successful, full-scale exploitation will begin in the following year. Prospecting results show there is a thick layer of oil between the strata of the oilfield and that the crude oil found there is of high physical quality and high commercial value.

In the two years since China and the United States signed the agreement on the joint exploitation of the cooperative zone in the Yingge Sea in the South China Sea, they have drilled two high-yield natural gas wells. Tests and experiments have shown that their daily natural gas output is 1.2 million cubic meters and 1.8 million cubic meters, respectively. In addition, they have discovered a huge reserve of natural gas trapped in the Ya 13-1 natural gas field. Its volume is estimated to be more than 100 billion cubic meters. A number of specialists are probing into the feasibility of the plans for utilizing the natural gas. People can foresee that once the natural gas field begins production, an associated large petro-chemical enterprise must be built. It will give impetus to the economic development of Hainan and add to its prosperity.

Two wells, namely the Enping 18-1-1 well and the Wenchang 19-1-1 well drilled in the cooperative zone in the basin which has lain undisturbed at the estuary of Zhujiang for millions upon millions of years, also yield oil. The Wenchang 19-1-2 well, drilled on the eve of the national day, is producing 429 tons each day on a trial basis. This has been the greatest discovery since the prospecting of the basin at the estuary of Zhujiang began. This important breakthrough shows that this region has heartening oil potentials. On 3 September, oil was discovered in the first pneumatically drilled prospecting well in the cooperative zone in the Southern Yellow Sea, namely the Changzhou 6-1-1 well.

The invitation of the second round of bids will begin soon. It is said that further flexible policies will be adopted in this round of bids and some non-prospecting businessmen will be invited to the bidding. In addition to part of the South Yellow Sea waters and the estuary of Zhujiang in the South China Sea, the tenders will also cover prospecting and exploitation of part of the new sea area in the Yingge Sea.

RENMIN RIBAO DISCUSSES EXEMPLARY ROLE OF FILMS

HK180429 Beijing RENMIN RIBAO in Chinese 8 Oct 84 p 7

[Article by Huang Mei: "Make Better Use of Films in Fostering the New Generation"]

[Text] China has gone through a tortuous course in the creation of feature films. In spite of this, the great achievements made in the last 35 years have laid a solid foundation of revolutionary realism for future filmmaking, and have opened a broad and promising road for socialist cinematographic art with distinctive Chinese characteristics.

I

In reviewing the great achievements of the film industry, it is necessary, in the final analysis, to recount how many lifelike, unambiguous, and heart-moving characters have appeared on the screen.

Many outstanding films were produced in the first 17 years after the founding of the PRC. They included: "The White-Haired Girl," "The Steel Fighters," "Dong Cunrui," "Shangganling," "The Blessing," "The Story of Liubao," "The Song of Youth," "Lin Zexu," "Song Jingshi," "Youth Amidst the Flames of War," "The Undying Electric Wave," "Young People in Our Village," "Nie Er," "New Biography of an Old Soldier," "Manual of the Red Flag," "The Red Detachment of Women," "The Sino-Japanese War of 1894," "Li Shuangshuang," "Private Zhang Ga," "Early Spring," "The Lin Family Shop," "Five Golden Flowers," "The Red Sun," "Dr Norman Bethune," "Stage Sisters," "Revolutionary Family," and "Red Flowers of Tianshan." Outstanding films shot in recent years have included "Returning Home," "Dawn," "Evening Rain at Bashan," "The Evening Rain," "Inside and Outside the Court," "Happy Occasion," "Laughter at Moonlight Bay," "Neighbors," "Seagulls," "The Xian Incident," "The True Story of Ah Q," "From Slave to General," "A Lovelorn Corner," "Approaching Middle-Age," "Horse Herders," "Camel Xiangzi," "Memories of Old Beijing," and "Dripping Fountain." A number of outstanding films have also been given citations this year. Regardless of when they were shot, these films were well-received by audiences because they reproduced typical environments in given historical conditions. They truthfully and profoundly reflected the intricate and complex contradictions and struggles at different times in everyday life, and created typical characters that were both true to life and heart-moving.

History proves that the only way we can continually improve the art of filmmaking and make it prosper is to uphold and develop realism, respect the objective law of development of literature and art, recognize "literature as a branch of the humanities," and boldly depict revolutionary and socialist human nature, human relationships, and humanism." We must also strive to create typical human nature in typical environment, that is, to "create characters of all descriptions in light of actual life, and help the masses in propelling history forward" as Comrade Mao Zedong taught us.

We are pleased to see a gradual shift away from the phenomenon of "being afraid to touch on love and sentiments" in filmmaking and film theory in recent years. Attention is now paid to the role played by sentiment in films. It was admitted that artistic creations must move and stir people. The question of education in sentiment and morality was also taken into consideration. In my opinion, there must be moral qualities in emotions, and morality is the key to stirring people's emotions. We advocate that works of literature and art must stir people's emotions.

There is no denying that our advocacy has a purpose and an aim. The aim is to move people by means of the noble morality, character, thoughts, and sentiments of lifelike, vivid, and realistic images, and to help people cultivate communist ideas and morality. In other words, our aim stirring people's emotions is to foster socialist new people who have lofty ideals, moral integrity, education, and a sense of discipline. Here, I wish to concentrate my discussion on the questions of how to stir people's emotions and strengthen moral education in the art of filmmaking.

II

Our country and society is undergoing a great reform. We are living in a new revolutionary period, a period in which the new replaces the old and the old gives way to the new. Profound changes have brought about new contradictions. In our filmmaking, we must not evade contradictions. Instead, we must boldly expose contradictions and problems of one sort or another that are present in life. Our aim is to make people seriously reflect on and understand the nature of these contradictions, as well as the factors -- historical, social, or ideological -- that give rise to them. This will draw people's attention to where they should turn in seeking the methods for resolving these contradictions.

We must build socialism with distinctively Chinese characteristics in light of China's national conditions. This is something never attempted by our predecessors. In the course of practice and exploration, complications and faults of this or that sort may occur, and we may even have to pay a high price. This is something that cannot be completely avoided in the advance of history. The question hinges on whether or not our writers can stand on a higher plane and apply the viewpoint of historical development to truthfully and thoroughly expose these intricate and complicated contradictions. If they can, then they will be able to more effectively resolve these contradictions and propel history forward.

The key to correctly reflecting contradictions and summing up experience and lessons lies in whether or not the films create typical characters that are lifelike and moving. The educational role of the art of filmmaking lies in the social and practical significance of various types of typical characters and whether or not the experience and destiny of these people, their struggles, and their innermost thoughts and feelings can be understood by the audience. It also lies in whether or not the films can arouse people's sympathy, love, and hatred, and move the audience. Leo Tolstoy held that "using the passion experienced by artists to appeal to people's emotions" was an important characteristic of art, and that "the greater the appeal, the finer the art." ("On Art") Auguste Rodin even maintained that "art is passion." Thus, in a sense, literature and art are kings of education in sentiments and seek to move people with the most beautiful and truthful passion. Maxim Gorkiy said: "In general then, what is the task of literature and what is the task of art? It is to express, by means of color, language, and sound -- what is the most precious in people. Is this not the case? For example, our task is to arouse the sense of pride in people; to tell each person that he is the finest, the most significant, the most precious, and the most sacred person alive, and that nothing else is worthy of attention." ("Gorkiy on Literature") If a writer does not have a clearcut stand as to what to love and what to hate, and is indifferent and dispassionate to the life and struggle of the people he depicts, he cannot produce a good piece of work. Of course, it does not mean that if a writer is passionate, he will necessarily do well in molding typical characters and in reflecting the reality of history and life.

We still have to see whether or not he truly takes the revolutionary and socialist stand and really knows and comprehends the reality of history and life. The things that affect us in life, such as certain concrete deeds and activities of people, certain incidents, certain social phenomena, and social relationships among people, are very lively and complicated. In particular, every truly typical character has his own unique inner world. His personality is very fascinating, complicated, and intense. Not all writers can quickly and penetratingly understand these people. In order to truly understand them, one has to go through a process, moving from the perceptual stage to the rational, then back to the perceptual again. This process may have to be repeated several times. Only when a writer truly and precisely understands the experience and destiny of various types of typical characters, that is, only when he has grasped the traits of his characters, can he present them accurately. In short, it is the lifelong work of our writers to continually reflect on, analyze, appraise, and sum up history and reality. But this summation is delivered through a great number of typical characters that are vivid, lifelike, and moving. For example, quantitatively speaking, films exposing the crimes of the "gang of four" are by no means few. We have even produced good films like "Evening Rain at Bashan" and "A River Without Navigation Marks." However, we have not by a long shot created glorious figures like Zhang Zhixin [1728 1807 2450] who dared to directly confront the "gang of four," and have not created typical characters of various types, such as those scoundrels who sold themselves out, and the backbone elements of the notorious "gang of four." In short, we have not yet produced any soul-stirring films. In this sense, the film industry has not quite fulfilled the historical task of "thoroughly negating the Cultural Revolution" or made a truthful and thorough historical summation of the decade of internal disorder.

III

Lenin pointed out in "The Tasks of the Youth League": "The object of training, educating, and teaching the youth of today should be to imbue them with communist ethics." "The basis of communist morality is the struggle for the consolidation and completion of communism. That too is the basis of communist training, education, and teaching. That is the reply to the question of how communism should be learned."

The history of the Chinese revolution shows that since the May Fourth Movement, members of the CPC and CYL, together with the vast number of patriotic and progressive person-ages influenced and united by our party, have fought valiantly, advanced wave upon wave, and composed pages of revolutionary history with their own blood and lives in their endeavor to build a new China. Are their heroic feats not precisely the concrete embodiments of communist ideas and morality? In recent years, people of all nationalities throughout the country were engaged in creating a new situation in socialist construction under the leadership of the party Central Committee. During this time, everyone, whether proletarian revolutionaries of the older generation, ordinary working people, veteran cadres who suffered all kinds of persecution during the decade of turmoil, or intellectuals who had experienced many vicissitudes in life but cherished their socialist motherland, displayed an admirable spirit of dedication and death-defiance. This stimulated us to face the difficulties and unswervingly fight for the early realization of the four modernizations with exuberant militant fervor. Was this not precisely a concrete expression of loyalty to the communist ideal and the communist cause? Was this not the manifestation of the resplendent light of communist ideas? Was this not the embodiment of the lofty communist morality?

This spirit has been vividly expressed in our films, especially in films about the industrial front. Both the protagonist in "Behind the Defendant" and the protagonist in "Blood Is Always Hot" are trial blazers and pioneers who diligently put their minds to work, courageously explore, and actually carry out reforms under new historical conditions; but reform is also revolution. Facing the aftermath of the decade of internal disorder and the obstacles brought about by the long-standing influence of "leftist" ideas, such as unwholesome party style, ossified thinking, and bureaucratism, they are bound to encounter difficulties in the course of reform. They are aware of their responsibility and have lofty ambitions, but they suffer all kinds of interference and restrictions, and are even prosecuted. Some times they go against their consciences as communists and yield to some backward phenomena, even to the extent of violating party principles. But, in the end, they realize that they must stand up and fight like the communists, start from themselves, and work hard and press forward for the bright future of the motherland.

The screening of the film "A Story That Should Not Have Happened" produced great repercussions among the masses. Many party members were shocked and moved at the same time. Communist ideals and communist morality require every communist to wholeheartedly serve the people and to cement ties of flesh and blood with the masses. But, for various reasons, some party members divorced themselves from the masses to varying degrees during the decade of turmoil. As a result, party members were cold shouldered when the party's rural economic policies were changed. This phenomenon is indeed thought-provoking. In spite of everything, party members stood up and restored the glory of their title with actions. They restored the fine tradition and work style of the party and joined the people in contributing their share toward new construction. "The Last Choice" focuses on how a leading cadre changed his original ideas and chose a truly qualified successor. It shows the lofty qualities of a leading CPC cadre who appoints people on their merit rather than by favoritism.

Films like "Under the Bridge," "Our Niu Baisui," "Native Tongue," and "Better Be Heartless" all reflect the everyday life of the ordinary people. They depict, from different angles, true passion and human nature as well as emotional conflicts.

"Better Be Heartless" shows that even in time of peace, our PLA fighters have to make great personal sacrifices in order to improve their combat qualities. For example, they cannot go home to see their children when they get sick. From a personal angle, it seems a heartless thing to do to one's family. But, as soldiers of the people, their primary concern is to faithfully discharge their duties, that is, to intensify training in war preparedness, to improve the combat capabilities of the troops, and to defend the motherland. Both are true sentiments of revolutionary fighters, but they are conflicting. Because the individual must be subordinated to the collective and the local to the general, personal concern must also be subordinated to the main concern. The film teaches the audience how to correctly recognize and handle the relationship between personal interests on the one hand and the interests of the state, the nation, and the people on the other. This is what is meant by "better be heartless."

In "Female Students' Dormitory," Kuang Yalan also appears rather heartless in denying her mother. But she cherishes deep feelings for her father who shared weal and woe with her. Kuang Yalan is a brave girl. She does not take a pessimistic view because her father died and her mother deserted her. Neither does she give up hope because she feels badly hurt. Although it does seem rather heartless of her not to forgive her mother, it shows how sincerely and deeply she feels about her father. Despite her financial difficulties and the fact that her mental wounds still have not healed, she studies diligently.

This reflects the spirit of dedication and commendable sentiments of our promising people for invigorating China. The relationship between the mother and the daughter is also vividly depicted. There is an undercurrent of passion below the heartlessness on the surface. This also reflects the moral criterion of socialism.

"Our Niu Baisui" tells us that party members should, out of proletarian human nature, sympathy, and sentiment, truly show concern for those people who are as yet unable to correctly handle themselves and their cause. Due to various complicated reasons, people who are considered backward often emerge in the course of historical development. A fine party member must, with genuine and hearty enthusiasm, correctly handle these ordinary working people who have temporarily lost their confidence and help them overcome their shortcomings and carry forward their virtues and strong points, so that they can once again take part in socialist construction: This is his moral duty.

These random examples amply show that any film capable of moving people cannot but touch on the question of the morality of the typical characters. Whether or not a person has ideals is to be judged by his actions, not by his words. There must be criteria for action, and these criteria are moral criteria. People's actions, including their attitude toward the motherland, the nation, the socialist cause, family, love, friendship, and various relationships between people, cannot but be closely related to our communist morality.

In our big socialist family, social relationships between people -- whether in work or in everyday life -- and the actions, thoughts, and feelings of individuals, are necessarily influenced and conditioned by given moral concepts. There are very concrete requirements and criteria for measuring and judging whether or not a person's actions, thoughts, and feelings are correct and conform with communist morality. Moral concepts encompass a wide range. They include political, economic, cultural, social, professional, family, and personal ethics. In making films, we must create all kinds of vivid, concrete, clearcut, lifelike, and moving images. This actually means that we must continually set up paragons of virtue of the socialist new people.

Films express the feelings, mental activities, actions, and gestures of characters through visual images. It is very hard for films to describe and analyze in detail the mentality of their characters or to recount the changes and development of a person's mind as works of literature and art do. On the screen, man's thoughts are abstract and difficult to express. Emotional changes should mainly be expressed by means of concrete visual images, gestures, and emotional language that show character. We should not simply resort to dubbed narratives and long monologues as some films have done.

To be sure, ideology is the basis of people's sentiments. Communist ideology invariably finds concrete expression in all aspects of morality. A person's actions -- what he wants to do, why he wants to do it, and how he goes about it -- are dictated by and are based on his ideology. In other words, there are moral criteria. His actions are inevitably restricted by given moral concepts. Thus, I think that, seen from the actual effect and function, literature and art educate the young in communist ideology mainly by disseminating communist morality and setting up communist paragons of virtue.

In the past few years, quite a number of works that manifest socialist ethics and morality have appeared. This is by no means coincidental.

During the decade of internal disorder, moral concepts were destroyed along with the fine tradition and style of revolution. People lost their criteria for action. The film "Happy Occasion" ran for more than 2 years and was widely acclaimed both in the rural areas and in cities. Statistics show that it attracted an audience of more than 500 million people. Why was it so popular? Because it revealed, in this historical background the universal social issue of young people not showing enough respect and concern for the aged. The film also aroused the interest of some foreign viewers because in capitalist society, lonely old people with no one to look after and care for them, and deprived of the joys of family life, are a common phenomenon. Many foreign friends said: The problem of the elderly is an international issue, one that cannot be resolved in a capitalist society. They were glad to see that by promoting traditional virtues and noble socialist morality, our socialist country was able to resolve a problem which they were unable to resolve.

Last year, ZHONGGUO QINGNIAN BAO sponsored the activity "My Favorite Image of Youth on the Screen." Among those who got the most votes were Li Xiuzhi, Shui Lian, Sha Ou, and Jie Jing, who all demonstrated beauty of the mind and fine sentiments in complicated and difficult situations. These facts show that most films that reflect social phenomena of universal significance and films that make use of the personal experience and destiny of the characters to arouse the sympathy and deep affection of the audience tend to touch on questions of ethics and morality. These films not only move people; they also set moral examples for people.

IV

A person's world outlook, moral character, temperament, thoughts, and feelings are closely tied in a thousand and one ways with moral concepts. To us, communist morality is the most most lofty and the greatest. It is the spirit of wholeheartedly serving the people, of utter devotion to others without any thought of self, which Comrade Mao Zedong repeatedly taught us. Comrade Deng Xiaoping has repeatedly emphasized that socialist literature and art must cultivate new socialist people with lofty ideals, morality, education, and a sense of discipline. In addition to morality, he also stated the need for a sense of discipline. Having a sense of discipline is in fact a moral concept, because all communists must consciously observe party discipline in all work and actions. This is an essential condition for the proletariat to unite as one and defeat the enemy.

In various different historical periods, whether during the years of revolutionary war, or during various stages of socialist construction, particularly during the new period since the 3d Plenary Session of the 11th CPC Central Committee, there have indeed emerged in our party and among the people successive groups of fine communists, CYL members, and advanced elements. Their spirit of dedication to the communist cause has indeed set an example of communist morality for us. Thus, we should not say that communist morality is something unattainable or that it is unrealistic to require films to reflect communist morality. On the contrary, the publicity given to socialist humanism today is aimed at promoting the development of communist morality.

Films are of a mass nature and are entertaining. They have a strong artistic appeal. The majority of the audience is young. If we do not give full scope of the role of films in "conducting education through entertainment," and vivid images that can move people and foster good qualities in people, films will lose their strong vitality and artistic appeal, become divorced from the masses, and be unable to satisfy the demands of the masses.

Some of our films are not welcomed by the masses. These films reflect important themes and subject matter, and expose complicated, even acute, contradictions in life. Some of them are innovative and explorative in their art form. Attention is paid to elaborating details in form, but characterization is neglected. This problem deserves careful pondering.

Comrade Hu Yaobang emphatically pointed out in his report to the 12th CPC National Congress: "We must try not only to help every member of our society to acquire a broader mental outlook but also to establish and develop throughout its ranks the new type of social relations which embody socialist spiritual civilization." I think this new type of social relations must be established on the basis of socialist humanism and communist morality. In short, with the gradual deepening of reform, which is also a revolution, there are bound to be great changes in people's thoughts, feelings, and moral concepts. Films must truthfully reflect and praise new types of production and social relations that are conducive to reform and to the emancipation and growth of the productive forces. On the other hand, they must criticize everything that hampers the establishment of a new type of social relations. This demands that filmmakers must plunge into the currents of reform, and face reality with courage and insight. They must boldly expose contradictions in reform, and create various typical characters in the midst of these contradictions. In particular, they must strive to mold lifelike models of new socialist people that can move the audience. If we do not criticize and change the unhealthy tendencies, do not thoroughly negate the "Cultural Revolution" and rectify "leftist" deviations, and do not establish a new type of social relations, how can we make a stride forward?

Looking back over the past and ahead into the future while warmly celebrating the 35th anniversary of the founding of the PRC, I sincerely hope that artists of the film industry will keep in step with the tempo and needs of the times by continuously creating more typical characters that are lifelike, vivid, and moving. In particular, they should, as Comrade Hu Yaobang urged, "strive to reproduce the seething and exciting life of the four modernizations, and mold images of advanced socialist elements who are bold in innovation and active in reform." These types of characters will go into history and become models for the new generation. The power of these models is boundless, because they are the eternal driving force behind the continuous development and advance of the communist cause.

MANAGEMENT REFORMS AID CAPITAL CONSTRUCTION

OW180959 Beijing Domestic Service in Mandarin 1200 GMT 15 Oct 84

[Text] Management system reforms have injected vitality into the capital construction front and have accelerated the pace of construction. In the first 9 months of this year, 58 large and medium-sized projects as well as single-item projects were completed.

Since the beginning of this year, localities have attached importance to energy and transportation projects and have carried them out quite satisfactorily. A total of 1,119 km of railway were completed and put into operation, fulfilling 99.3 percent of the annual plan. The nation's crude oil production capacity was increased by 9.34 million metric tons, overfulfilling the annual plan by 16.8 percent. The nation's raw coal production capacity was increased by 3.49 million metric tons.

In light industry and the construction materials industry, the nation's sugar machine-processing capacity was increased by 207,000 tons; cement production capacity, 230,000 tons. In the first 9 months of this year, housing totaling more than 20 million square meters was completed.

AIR FORCE ESTABLISHES FLIGHT SAFETY COMMITTEE

OW180955 Beijing XINHUA Domestic Service in Chinese 0740 GMT 16 Oct 84

[By reporter Cai Shanwu]

[Text] Beijing, 16 Oct (XINHUA) -- The PLA Air Force Flight Safety Guidance Committee was established in Beijing on 16 October. The main task of this flight safety guidance committee is to study the experiences and lessons of the Chinese and foreign air forces in maintaining flight safety, determine the various factors that endanger flight safety and ways to reduce serious incidents in flight, and put forward proposals and measures to the Air Force Party Committee for the prevention of flight incidents in order to meet the needs in modernizing the Air Force.

Wang Hai, renowned combat hero and deputy commander of the Air Force, has been appointed chairman of this guidance committee. Members of the committee include flying cadres and specialists who have rich experience in fighting, training, commanding, and doing flight safety work, as well as some veteran comrades who have withdrawn to the second or third line.

The air forces of many countries in the world also have set up similar organizations.

ARMY PAPER ON PLA'S CHINESE WORD PROCESSOR

OW190745 Beijing XINHUA in English 0702 GMT 19 Oct 84

[Text] Beijing, October 19 (XINHUA) -- A Chinese language word processor system has been installed in the Jinan military region, THE LIBERATION ARMY DAILY reports today. The network, the Army's first, handles office work in peace time but can also be used in war time in command.

The network has a computer center at headquarters and terminals elsewhere. It will have automatic telegram, transmission, display, print, storage, index and register facilities. The network is more advanced than other similar systems in China. It was developed jointly by the Nanjing Communications Engineering College of the People's Liberation Army and the P.L.A. Jinan Military Region, one of 11 regions in China.

RENMIN RIBAO REVIEWS GROWTH OF CIVIL AVIATION

HK181530 Beijing RENMIN RIBAO in Chinese 12 Oct 84 p 2

["Facts and Figures" column: "Civil Aviation Is Soaring With Spread Wings" -- based on information provided by CAAC]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, our country has adopted a policy of opening to the outside world and enlivening the domestic economy, thus providing bright prospects for the development of civil aviation. During the 4 years from 1979 to 1982, the total turnover of air transportation increased by 200 percent. The average freight volume per day is presently more than that of the whole year during the early period after liberation.

Continuous Growth in Domestic Transportation

Since 1979, 29 domestic flight routes have been introduced and the distance of them has been extended for more than 30,000 km. A number of airports and aviation stations have been built and expanded.

Since its expansion, the world's largest airliners can now take off and land at the capital's international airport. The number of passengers handled by the airport has increased by 400 percent. Since their airports were expanded, large airliners now can take off and land in Harbin, Guilin, Fuzhou, Chengdu, and Wuhan. There has been an increase in domestic flights using large airliners and in flights between key tourist cities and interior and remote areas. The total freight turnover of domestic flights was more than 300 million ton-km in 1983, an increase of 41 percent over 1978, and the total passenger turnover was nearly 3 million persons, an increase of 35 percent over 1978.

A New Leap Forward in International Air Transportation

Since 1979, China has signed air transportation accords with 11 countries. Up to now, 46 countries have signed such accords with China. Thirteen new international flights have been introduced, with the distance covered by the flight routes being increased from 68,000 km to 170,000 km. Currently, almost all long distance international flights are carried out by Boeing-747 airliners. The total transportation turnover for international flights and flights to Hong Kong was 340 million ton-km, an increase of 360 percent over 1978, and the total passenger turnover was 930,000 persons, an increase of 740 percent over 1978.

Relatively Good Progress Has Been Made in Professional Services Using Airplanes

Several hundred airplanes are dispatched every year to carry out professional services in nearly 100 areas throughout the country. The services have been expanded to some 60 items. Airplanes are used to protect forests in major forest regions. Over the past 6 years, seeds were sown and trees planted by airplanes on more than 50 million mu of land. Airplanes have also been used to carry out comprehensive professional services, such as sowing seeds, applying fertilizer, weeding, and preventing and curing plant diseases and insect pests. Relatively good aviation services have also been given to Sino-foreign joint ventures in their surveying and exploitation of offshore oilfields and oil on plateaus in northwestern China.

DEVELOPMENT OF HIGHWAY TRANSPORTATION EXAMINED

HK180937 Beijing RENMIN RIBAO in Chinese 12 Oct 84 p 5

[Article by Xian Lizhi: "Several Questions of Understanding Regarding the Development of Highway Construction"]

[Text] How To View the Energy Consumption and Costs of Highway Transportation?

At present, because most trucks in our country have only a small load capacity and highway conditions are poor, the energy consumption of highway transportation is higher than railway transportation. However, the comprehensive costs of highway transportation are not necessarily higher than those of railway transportation, which has to rely on other means of transportation to handle the collection and distribution of the cargo and thus entails greater freight charges and involves higher expenses for loading and unloading goods. All these additional expenses should be included in the cost of railway transportation. According to the analysis of statistics by the Beijing Municipal Commercial Storage and Transportation Company, it takes an average of 25 days to transport a consignment of stationary and sundry goods for daily use over a distance of 200 km by railway, while it takes only an average of 3 days to transport the same goods by highway.

In addition, the goods have to be loaded and unloaded three times if they are transported by railway, but must be loaded and unloaded just once if they are carried by truck. If packing expenses, storage, and interest costs of the working funds are all taken into account, the comprehensive carriage on each ton of goods by highway transportation will be 8.55 yuan less than the railway carriage. Highway transportation is particularly suited to the carrying of less-than-carload freight and to the quick delivery of goods. A cargo of 3 or 4 tons can be consigned to highway transportation for prompt delivery and can be carried directly to various places. According to the present conditions of our highways and transportation vehicles, the economic distance of highway transportation exceeds 400 km. From Beijing to Xingtai, the railway carriage on each 100 kg of goods is 16 yuan and the highway carriage is just 12.51 yuan; from Beijing to Handan, the railway carriage on each 100 kg of goods is 17 yuan and the highway carriage is just 14.13 yuan. The energy consumption of passenger transportation by highway is also lower than that by railway. Each passenger requires 2.9 hp if he travels by bus and requires 3.7 hp if he travels by train. Of course, for long-distance passenger transportation, railways and aviation can provide better conditions and play a role superior over highway transportation. However, it is more economical and convenient to travel by bus over short or medium distances.

Is it Necessary To Develop Highway Transportation in Areas Where Rail and Water Transportation Is Well Developed

Is it necessary to build more highways in areas where there are railways? The state of affairs in Jilin Province can provide an answer to this question. Railways run through and extend to more than 80 percent of the more than 40 cities and counties in this province, so railway transportation in Jilin should be regarded as highly developed. However, the province so far has built 24,114 km of highways, of which 11,056 km of highways can be used in all weather conditions and 3,972 km of highways have an asphalt surface. Now, all counties and townships and 75 percent of the production brigades have access to the highway network in the province.

Is it necessary to build more highways in areas where water transportation is well developed? The situations in Jiangsu and Guangdong Provinces where water transportation is developed show that it is still necessary to develop highway transportation in these areas. There are 21,313 km of highways in Jiangsu Province and 63,360 km of highways in Guangdong Province, but the people still require that more highways of a higher standard be built.

Why do the people in areas where rail and water transportation is well developed still eagerly require the build of more highways? This is because railways and waterways cannot reach all townships and villages and cannot extend to each factory, but highways can be built to all places. More importantly, some new characteristics have appeared in our national economy since the third plenary session: 1) Great changes have occurred in the economic structure and the mix of products, with the output of the textiles, chemicals, electronics, and food-processing industries increasing greatly, and these products are well suited to highway transportation. 2) With the adoption of the rural responsibility system and the development of specialized households and rural enterprises, more farm produce and sideline products are turned into commodities that are to be sold in towns and other areas. 3) Enterprises in various trades have paid more attention to their economic results and have become more interested in delivering goods by highway transportation, which enables them to deliver high-class industrial goods and perishable goods rapidly and promptly to cities.

4) With the enhancement of the people's living standards, tourism is developing in all parts of the country, and the number of highway passengers has been growing rapidly in recent years. All these characteristics determine that our country still has to speed up the building of highways.

Does Our Country Need To Build Expressways?

Does our country need to build expressways? The answer is yes. With the development of the national economy -- especially the development of rural commodity production -- highway transportation is bound to develop more rapidly. More and more vehicles will appear on the roads. When the volume of traffic increases to the limit, the roads will become congested, and vehicles will have to slow down and increase gas consumption, and traffic incidents will increase. If this problem is not promptly solved, the development of the social economy will be affected. The method of settling this problems is to build special roads for use exclusively by motor vehicles, which can thus be freed from the obstruction of carts drawn by animals or manpower.

Highways exclusively used by motor vehicles are in essence expressways. These roads have the following basic characteristics: 1) There are at least four lanes on such a super highway, and the median strip makes the road a dual expressway. 2) Overpasses are used to overcome obstacles caused by intersections. 3) The highway is completely closed to non-motorized traffic. 4) There is traffic and monitoring along the road to ensure traffic safety and smooth traffic consitions. 5) The highway does not run through cities and towns but is linked with towns and cities by some feeder highways. With these basic conditions, motor vehicles can go at a high speed on this road. That is why it is called an expressway.

The advantages of an expressway are as follows: First, it has a large traffic capacity. In various countries, an expressway may be used by at least 10,000 vehicles a day, and may be used at a rate of more than 100,000 vehicles a day during peak periods. At present, the mileage of expressways in Japan accounts for only 0.27 percent of the mileage of all highways, but the expressways carry 6 percent of the motor traffic in the country and carry 10.4 percent of the total freight transportation and deal with 25.6 percent of the total volume of road haulage. The states in our country are quite similar. Second, the expressway can allow high-speed traffic. As stipulated by our country's "highway engineering technical standards," an expressway is designed for motor vehicles going at a speed of 80 to 120 km an hour. Because, there are no longitudinal or lateral obstacles and there are some engineering and emergency aids along the road, motor vehicles can speed along on the expressway. Third, traffic accidents can be reduced. According to foreign data, the incidence of traffic accidents and the death rate in traffic accidents on expressways are far lower than those on ordinary highways. In Japan, the number of traffic accidents per 100 million km driven on ordinary highways is 195, but the number of expressways is only 27.

The cost of building an expressway is highly than that of an ordinary highway. The auxiliary facilities for an expressway, including those for traffic engineering, safety supervision, maintenance, management, fee collection, and other services, account for about 20 to 40 percent of the total investment in the building of an expressway. However, once it is put into operation, it can yield quick returns on the investment with high efficiency and can play a great role in facilitating the movement of goods. According to a survey of freight transportation handled by eight departments in Japan, the average time for transporting the same freight by rail is 46 hours, by sea is 20.9 hours, by air is 17.3 hours, and by truck along the expressways is only 7.9 hours.

In Japan, the expense of ordinary trucks going on ordinary highways is 36.42 yen per km (including wages, gasoline, tire wear, repairs, and losses caused by time difference), while the expense of vehicles on expressways is only 27.4 yen. This shows that the economic efficiency of expressways is rather high.

YOUNG PIONEERS' 35TH ANNIVERSARY CELEBRATED

OW131048 Beijing XINHUA in English 1034 GMT 13 Oct 84

[Text] Beijing, October 13 (XINHUA) -- 130 million Chinese children celebrated the 35th founding anniversary of their own organization, the Young Pioneers, today with a variety of activities. Ceremonies for presenting red scarves, the organization's symbol, to new members who have reached the age of seven years were held in primary schools across the country.

A decision has been made to recruit all the children between seven and 14 years old into the Young Pioneers organization, according to the Young Pioneers' working committee under the Chinese Communist Youth League Central Committee. Until recently, 80 percent of the children of this age group were in the organization.

Colorful celebrations, which have been going on for the past few days, included get-togethers, campfire parties, parades, athletic meets and exhibitions.

In Beijing, outstanding Young Pioneers teams were awarded silk banners at today's get-together attended by 10,000 children and leaders of the municipal government at the National Children's Center. In Hangzhou, Zhejiang Province, more than 6,000 Young Pioneers paraded yesterday through the Children's Palace Square. Provincial and city government leaders were present to offer their greetings. Similar parades were also held in Nanchang and Fuzhou Cities.

In Hunan Province, Young Pioneers have designated October as "Love the red scarf month". They will hold activities in October each year to remind themselves of their duties as Young Pioneers. Led by the Communist Youth League Central Committee, the Young Pioneers organization has its grassroot teams in every primary and junior middle schools. It sponsors various extracurricular activities. Its motto is "Love the motherland, the people, labor, science and public property".

CYL HOLDS NATIONAL MEETING ON WORK, REFORM

LD190147 Beijing XINHUA in English 1135 GMT 18 Oct 84

[Text] Beijing, October 18 (XINHUA) -- A Communist Youth League leader has encouraged young people to pursue their new way of life and said it is not bourgeois. Liu Yandong, member of the Chinese Communist Youth League Secretariat, said that the recent development of production had left young people dissatisfied with traditional frugality. She was addressing a Youth League working conference in Longhai, Fujian Province. Young people are demanding quality in their material and spiritual lives, she said.

CHINA YOUTH NEWS on September 25 sponsored a discussion column on more attractive young fashions instead of the perennial blue and grey.

More young people on Beijing streets are wearing colored ties and Western suits. Young women sport a colorful variety of blouses, skirts and dresses. Fashion shows are also encouraged to spread new designs. Weekend dances are another way to widen social contacts.

Liu said this had caused some to knit their brows over the new ways and term them "bourgeois", which was wrong. Their eagerness to earn and spend more will in turn boost production, Liu argued. It is a socialist, not a capitalist phenomenon and one which will raise living standards. Wuyi County in Hebei Province recently set up an association to guide youth consumption. Over the National Day holidays, it organized a clothing competition attended by more than 500.

Liu Yandong Speaks

OW171035 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 12 Oct 84

[Text] A national meeting on the work of grassroots CYL units opened in Longhai County on 12 October. Song Defu, secretary of the Secretariat of the CYL Central Committee, presided over the opening ceremony. Liu Yandong, permanent secretary of the Secretariat of the CYL Central Committee, addressed the meeting.

Comrade Liu Yandong said: In recent years, CYL organizations at all levels, acting in accordance with the demands set by the CPC and the tasks put forward by the 11th CYL National Congress, have strived to meet the situation of reform, constantly improved their work under the guidance of serving the four modernizations, and thus made positive contributions to economic reform. This meeting will seriously study how the CYL organizations, under the present situation, can take part in economic reform, enliven the work of grassroots CYL units, increase the vigor of the primary CYL organizations in the course of undertaking the four modernizations, and strive to create a new and thriving situation of the work of grassroots CYL units.

Zhang Yumin, a member of the Standing Committee of the Fujian Provincial CPC Committee, extended his greetings to the meeting on behalf of the provincial CPC Committee. (Liu Bingyuan), secretary of the Longxi Prefectural CPC committee, made a report on the situation of Longxi Prefecture at the meeting. (Zheng Futian), secretary of the Longhai County CPC Committee, also briefed the meeting on the situation of Longhai County.

Some 130 persons attended the meeting, including the secretaries in charge of organizational work and the directors of the organizational departments of various provincial, autonomous regional, and municipal CYL committees; responsible comrades of some prefectural, city, autonomous prefectural, league, county, and banner CYL committees and some primary CYL organizations, representatives of some advanced units; and some advanced individuals.

STATE COUNCIL ISSUES REPORT ON STATE EXAMINATION

OW16 18 Beijing XINHUA Domestic Service in Chinese 0221 GMT 11 Oct 84

[Text] Beijing, 11 Oct (XINHUA) -- On 27 September, the General Office of the State Council transmitted the report on the unified state examination for the first group of enterprise and plant managers -- a report prepared by the State Economic Commission's Committee for Guiding State Examination for Economic Management Cadres -- and urged all regions and departments to adhere to the various proposals set forth in the report.

The report transmitted by the General Office of the State Council deals with four issues:

1. To encourage enterprise and plant managers to study and take part in examination, those who should take part in examination but fail to do so even after being admonished shall be dismissed, except for those who have been exempted. Those who pass the test of two subjects and whose achievements in actual work are significant may remain in the leading bodies even though they are not college-educated. While appraising the title of economic specialist, an enterprise administrative section may exempt them from examination and acknowledge their college level in business administration. For those who pass the test, they shall be given certificates indicating their outstanding, good, or acceptable scores. Those whose scores are outstanding or good may be awarded and promoted to important posts by their responsible departments at their discretion and according to need; those who fail may retake the test, and if they still fail they shall be replaced.
2. To improve the leading bodies' educational structure and train cadres of the third echelon, an appointment-through-examination system shall be instituted for the young, reserve cadres. Only those who pass the state examination may become candidates for the leading groups. Examinations for reserve cadres shall begin in 1986.
3. In accordance with the principle of "simplifying administration and delegating authority," and beginning with the third unified exam, examination papers for unified examinations shall be prepared in a unified manner, but examinations will be conducted at various levels. This is to say that examination papers shall be prepared and examinations shall be organized both in a unified manner for managers of over 3,000 large and medium-size mainstay enterprises. Examination papers for managers' and directors' examinations of other ordinary medium-sized and small enterprises, plants, and mines shall be prepared by the state in a unified manner, but the examinations for them shall be organized by various provinces, autonomous regions, and municipalities directly under the central government.
4. From now on, all regions and departments should increase their necessary investment in those institutes of economic administration that are responsible for preparing managers and plant (mine) directors for future unified examinations and that are responsible for the training of large numbers of cadres, so that the construction of these institutes will be accelerated and so that they will become effective cadre training bases with more and better instructors.

The first unified examinations were held on 3 and 5 August. A total of 9,019 enterprise plant (mine) managers of industrial, commercial, building, transportation, and three other trades took the exam. The results of the exam show that 94 percent of the examinees passed the test, 99.3 percent passed the first section of the basic test on principles and policies for China's socialist economic construction adopted since the 3d Plenary Session of the 11th CPC Central Committee, 94 percent of the examinees passed the test of the basic knowledge of business administration, and a total of 207 examinees scored 85 points from each of the two tests, among them, 15 scored outstanding results.

FUJIAN GOVERNOR MEETS VISITING OVERSEAS CHINESE

OW151133 Fuzhou FUJIAN RIBAO in Chinese 3 Oct 84 p 1

[Excerpts] Yesterday afternoon Governor Hu Ping met in the Conference Hall of the Overseas Chinese Building with the more than 70 Overseas Chinese who were visiting Fuzhou after attending National Day celebrations in Beijing and their hometowns.

Governor Hu Ping said: Fujian remains poor; but we are fully confident about building Fujian well. Overseas Chinese are very concerned about construction in their hometowns. Some of them find that there are still some policies, such as the one concerning houses, which need to be implemented in their hometowns. We are speeding up our efforts to implement them. Governor Hu Ping said: We hope our overseas compatriots and friends will make frequent visits to their hometowns and make as many valuable suggestions as they wish.

Other leading comrades present at the meeting were Wu Hongxiang, chairman of the provincial CPPCC Committee; Guo Ruiren, vice chairman of the Standing Committee of the provincial People's Congress; Wang Yishi, vice governor; and responsible persons of the Overseas Chinese Affairs Office and Federation of Returned Overseas Chinese. The provincial government hosted a banquet for all participating overseas compatriots after the meeting.

JINAN PLA USES AUTOMATION FOR COMBAT COMMAND

OW181405 Beijing XINHUA Domestic Service in Chinese 0753 GMT 18 Oct 84

[Text] Jinan, 18 Oct (XINHUA) -- The PLA's first Chinese character information processing on-line network system was recently put into operation in Jinan Military Region. A responsible person of the departments concerned under the General Staff Department pointed out: The successful test of this network system shows an encouraging start in the automation of our Army's operational command and office work.

This on-line network system is used to handle office work in peacetime, and can be used to handle operational command in wartime. It consists of a computer center room in the leading organization of the Military Region, and the Chinese character intelligence terminal of the units under the Military Region. After the entire network is on-line, all work, including the drafting of dispatches, transmitting, displaying, printing and data storing, locating, and registration can be automatically, precisely, and speedily completed. Transmission and reception of a dispatch between a unit at a higher level and one at a lower level can be completed in less than a minute. If a PLA unit stationed as far as 1,000 li away wants to borrow data stored at the center's computer, it can receive them from the center's room in less than a minute, by entering the data into the computer. In addition, some other equipment, including the numerical speed facsimile, Chinese character terminal and static and dynamic pattern transmission, can be installed with the computer and Chinese character intelligence terminal of this network to become an automation system.

Some experts and professors of local departments and the Army not long ago appraised this network system in Jinan. They regarded it as more advanced in communication control than similar systems in China. This on-line network system was successfully studied and produced by the PLA Nanjing Communications Engineering Institute, Jinan Military Region, and other units.

SHANDONG COMMENTARY ON PEOPLE'S CONGRESSES

SK190351 Jinan Shandong Provincial Service in Mandarin 2300 GMT 18 Oct 84

[Station commentary: "Strengthen the Work and Building of the Local People's Congress Standing Committees Energetically"]

[Text] Since the establishment of the local people's congress standing committees at all levels in the province, they have done much work and scored great achievements in implementing various laws and decrees such as the enforcement of the Constitution, and the Organic and Electoral Laws for the local people's congresses. The prestige of the local people's congress standing committees is continuously being enhanced. However, due to the influence of the leftist thinking and old habits, some people do not fully understand the importance and necessity of establishing the local people's congress standing committees. Some hold that it is unnecessary to establish the local people's congress standing committees because they have the CPC Committees to manage major policies and the governments to carry out specific work. Some regard the people's congress standing committees' lawful supervision as fault-finding and a mere formality. Some even placed the implementation of the party's policies over the implementation of the state laws. They only paid attention to the enforcement of policies at the expense of laws. These are manifestations lacking in the basic knowledge of the Marxist state theory and a keen sense of democracy and the legal system. Such a situation must be overcome and corrected.

At present, we are faced with a new situation of rectification and reform. The work of the people's congress standing committees is also in the process of a great change, shifting from managing affairs by relying on policies to managing state affairs by relying on both the implementation of policies and improvements in the legal system. This is a great historical task. In order to meet the needs of the new situation and demands, we should realistically strengthen the work and building of the local people's congress standing committees, further enhance the understanding of leaders at all levels and of the broad masses of cadres of the nature, status, and role of the local people's congress standing committees, enhance their sense of the legal system, and value and support the work of the people's congresses.

The governments, the people's courts, and the people's procuratorates at all levels should respect the legal status of the people's congress standing committees, and accept supervision consciously. The people's congress standing committees at all levels should effectively exercise their functions and powers given by law to carry out work focusing on the party's general tasks and objectives. At present, particular attention should be paid to overcoming the weak and lax state of leadership and boldly give supervision in accordance with law. CPC committees at all levels should realistically strengthen leadership over the work of the local people's congress standing committees and actively support them in exercising their functions and powers according to law. When the people's congresses encounter resistance and interference in their work, the CPC committees should step forward to help them solve problems. Meanwhile, further efforts should be made to strengthen the organizational construction of the local people's congress standing committees at all levels, replenish their working bodies and staff ranks, and ensure the smooth progress of their work.

SHANDONG CONDUCTS CULTURAL REVOLUTION EDUCATION

HK180918 Beijing RENMIN RIBAO in Chinese 16 Oct 84 p 4

[Report by reporter Jia Jianzhou: "Shandong Provincial CPC Committee Seriously Conducts Education on Thoroughly Negating the 'Cultural Revolution'"]

[Text] The Shandong Provincial CPC Committee has made great efforts to conduct education on thoroughly negating the "Cultural Revolution." It has led the broad masses of party members and cadres in uprooting factionalism, improving the party's work style, and strengthening unity, and has thus further developed the very favorable situation throughout the province.

Since party rectification began last November, the Shandong Provincial CPC Committee Standing Committee has regarded education on negating the "Cultural Revolution" as an important part of party rectification. Standing Committee members have not only taken the lead in summing up experiences and lessons and in properly carrying out comparisons and examinations but also have organized the broad masses of party members and cadres to thoroughly study relevant documents, further eliminate "leftist" influence, and improve their ideology and cognitive ability.

As for factinism, a product of the "Cultural Revolution," the Standing Provincial CPC Committee has mobilized the masses to criticize it on many occasions. However, since such criticism was not based on thoroughly negating the "Cultural Revolution," factionalism had not been "uprooted" over a long period. In March this year, some responsible members of the provincial party committee went to Linyi Prefecture. There they took a clear-cut stand and carried out analysis and criticism on factinism in light of the calamities caused by the "Cultural Revolution." They helped members of the prefectural CPC Committee deepen their understanding of thoroughly negating the "Cultural Revolution," so that the members stood up to ferret out "people of the three categories." A gratifying change soon occurred in the situation throughout the whole prefecture.

In July and August this year, responsible comrades of the provincial party committee again helped the Qingdao City CPC Committee convene an enlarged Standing Committee meeting, at which education on eliminating factionalism and strengthening party character was carried out in a thorough manner, the ideology of party member cadres was relatively well unified, and the work of Qingdao City was effectively promoted. In carrying out educational activities to overcome factionalism, the Shandong Provincial CPC Committee has reiterated once and again: Those who participated in ordinary factionalist activities in the past and have actually corrected them will not be mentioned again; but those who committed serious mistakes during the "Cultural Revolution" and who have stuck to their factionalist views must be criticized and educated. If these people hold leading posts or work in crucial departments, necessary readjustments should be made; a very few people who are seriously influenced by factionalist ideas and who still engage in factionalist activities must be resolutely and sternly handled; and "people of the three categories," irrespective of which faction they belong to, must be resolutely weeded out.

Properly resolving problems handed down from the past is another important task in negating the influence of the "Cultural Revolution." As to problems caused by implementing in various localities wrong instructions issued by the provincial party committee during the "Cultural Revolution," the provincial party committee has initiatively undertaken leadership responsibility, made sincere self-criticism, and has sent people to problem areas to solicit opinions and heal historical wounds. The provincial party committee has reversed the wrong verdicts on former chief responsible members of Huimin, Linyi, and Liaocheng Prefectural CPC Committees and has repudiated all false charges against them. Following the examples of the provincial CPC Committee, various localities have corrected a large number of wronged, false, and unjust cases, thus solving in a relatively satisfactory manner problems handed down from the "Cultural Revolution" and strengthening unity within the party.

GUANGZHOU DEVELOPS ECONOMIC, TECHNICAL ZONE

HK180628 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 17 Oct 84

[Text] Guangzhou City is actively making preparations for building the Huangpu economic and technical developmental zone. Most of the preparatory work has already been done. The project of building the whole area and the ceremony to lay the foundation stone will be held at the end of October in the Huangpu economic and technical developmental zone.

The economic and technical developmental zone in Guangzhou City, based on the repeated discussions of various experts and the examination of the administrative committee, has formulated its development outline as well as the first stage of the overall plan. It has basically completed the formulation of plans for building the (Qibu) district and for special projects. According to the first stage of development, a land parcel 8.6 kilometers to the south of (Hengshahe) will be built into a base for the export processing industry and entrepot of the developmental zone. The (Qibu) district is two square kilometers in area.

The developmental zone also attaches great importance to thoroughly grasping construction projects. It has organized 13 units for carrying out construction work, so as to strive to accomplish the project of levelling (Yuling) district within 6 months.

Following the announcement of the Guangzhou City decision on building an economic and technical developmental zone in Huangpu, investors at home and abroad have given an enthusiastic response. According to the statistics, over 200 foreign businessmen from Hong Kong, Macao and overseas have come to negotiate joint ventures since June. The feasibility studies and provision of relevant materials have basically been completed for the 58 scientific research and industrial projects that have been selected by the developmental zone as the first to be imported and for the 13 projects that are ready to be started.

GUANGZHOU TO PUBLISH OVERSEAS CHINESE JOURNAL

HK180548 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 17 Oct 84

[Text] China will publish an academic journal in Guangzhou on Overseas Chinese affairs called HUAXIA JIKAN [CHINA QUARTERLY]. This is the first publication of its kind open to Chinese both at home and abroad. The journal will be a comprehensive magazine covering such areas as reporting the history of Overseas Chinese, problems of the Overseas Chinese, and the new look of hometowns of Overseas Chinese; disseminating policies on Overseas Chinese; and introducing typical figures among Overseas Chinese and the past and present history of Overseas Chinese society.

HUAXIA JIKAN has been founded by the Guangdong Association for Overseas Chinese History. A trial publication was published in early October, while the first issue will be published in early January next year. Governor Liang Lingguang, and Yuang Yibin, Standing Committee member of the provincial CPC Committee, have respectively written words of encouragement for the first issue of the journal.

GUANGDONG: ZHUHAI RELAXES POLICIES FOR ISLANDS

HK180920 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 17 Oct 84

[Text] According to NANFANG RIBAO, the Zhuhai City CPC Committee and government adopted measures recently to relax the policies on developing the economy of the islands. Zhuhai has 140 large and small islands which have abundant marine and mineral resources. Therefore Zhuhai is one of the main bases for developing foreign trade, fishery, and aquatic products.

In order to speed up construction of the islands, the Zhuhai City CPC Committee and government made the following decision recently:

1. Wanshan, Dongao, Gangan, and 11 other islands may retain foreign exchange from small business transactions and import duty-free means of production and articles for daily use.
2. The wages of cadres, staff members, and workers transferred to work on the islands will be raised one grade higher. The wages of those who have worked in the islands for 11-20 years will be raised two grades higher and those who have worked for 21-30 years will be raised three grades higher. Those who have successively worked in the islands until retirement may also enjoy floating wages after retirement.
3. Immigrants willing to take part in the production and construction of the islands are welcomed. Permission will be given to those who are willing to settle down in the islands. They will be provided land for building houses free of charge and will be allowed to import building materials duty free.
4. Foreign businessman investing in the islands will enjoy better preferential treatment than on the mainland.
5. The city Financial Department will allocate an annual amount of 1 million yuan for reconstructing harbors, building highways, and solving difficulties in providing drinking water.
6. Education in the islands will be gradually improved. Room and board will be offered to students who are to continue their education in secondary schools on the mainland.

GUANGDONG PLA LEADING ORGANS COMBAT BUREAUCRACY

HK180922 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 17 Oct 84

[Text] At the stage of simultaneous rectification and correction of defects in the course of party rectification, the leading organs of the Guangzhou Military Region have grasped the three typical cases which took place this year to thoroughly investigate and handle bureaucratic practices and to conscientiously sum up experience and lessons. Following are the three typical cases: 1) In the past few years, people from within and outside a certain oil depot right under the nose of the leading organs collaborated in committing theft in succession. These cases remained unsolved for a long time, which caused the state to suffer losses of tens of thousands of yuan. 2) Although the leading cadres of a certain regiment practiced corruption, took bribes, and sought honor through fraud and deception, they were chosen as an advanced unit by the leading organs. 3) For the sake of coveting petty gains, some leading cadres of a certain unit were fooled by swindlers.

Some cadres were promoted instead of being punished. By analyzing the three typical cases, the leading organs of the Military Region summed up experience and lessons and adopted the following measures:

1. The guiding ideology for setting typical examples should be straightened out and the unhealthy tendency of making superficial efforts should be curbed. The typical examples recommended by the Military Region should be examined and verified by the leading organs of the Military Region. The leading cadres concerned will bear responsibility if they create any false examples.
2. Cadres of the leading organs should go down to the grassroots units to conduct investigations and studies, and should not remain isolated.
3. The mass line should be used to assess cadres. It is impermissible to use the opinions of individual cadres to negate opinions of the masses.
4. Rules and regulations should be established and perfected to plug up loopholes and systematize and regularize the vocational work of the leading organs.

HENAN SELECTS THIRD-ECHELON LEADING CADRES

OW181043 Beijing XINHUA Domestic Service in Chinese 1703 GMT 13 Oct 84

[By reporters Liu Kunihua and Xu Hongbo]

[Excerpts] Zhengzhou, 13 Oct (XINHUA) — The Henan Provincial CPC Committee attaches importance to the building of the third-echelon cadre ranks. It has successively selected and promoted nearly 3,000 cadres into the third-echelon cadre force. At present, more than 1,000 of them have joined the leading bodies at various levels.

The provincial party committee has seriously tested and observed the selected third-echelon cadres. Liu Jie, secretary of the provincial party committee, has presided over three meetings of the Standing Committee of the provincial CPC Committee, discussed the provincial-level reserve cadres one by one, and interviewed them.

In the course of selecting, testing, and observing the third-echelon cadres, the provincial party committee regards their political quality as a prerequisite, puts the stress on checking their performance during the "Great Cultural Revolution" and since the 3d Plenary Session of the 11th CPC Central Committee, and strictly prevents the "three types of persons" from being selected into the third echelon.

While ensuring political soundness, the Henan Provincial CPC Committee has also made strict evaluation of the working ability and job performance of the third-echelon cadres.

HUNAN HOLDS FORUM ON RURAL COMMODITY PRODUCTION

HK130556 Changsha Hunan Provincial Service in Mandarin 1100 GMT 11 Oct 84

[Excerpts] From 6 to 10 October, over 100 experts, professors, and scientific and technical personnel in the province gathered in Changsha to discuss problems concerning the development of commodity production in the rural areas. The participants exchanged views in the form of 138 reports. In addition, they presented five suggestions to the provincial CPC Committee and the provincial government after comprehensive compilation.

The suggestions were on readjusting the rural economic structure; enlivening the circulation channels and establishing a cooperation system in the areas of production, supply and marketing; speeding up the development of commodity production by relying on science and technology; establishing the province's industrial economic system; and solving the province's problems regarding difficulties in selling grain.

The experts held that in order to speed up the province's development of rural commodity production, we must first readjust agricultural production and the rural economic structure. In particular, we must select farming as the breakthrough point and put an end to our practice of growing only grain.

The experts said: When keeping the circulation channels clear, we must focus on the one for agricultural and sideline products, which is of vital importance.

The experts also stressed that when developing rural commodity production, we must stress and depend on science and technology. Proceeding from the present situation of the province, only 30 percent of the scientific and technical achievements in agriculture have been popularized.

Such products as carambola, sugarcane, hemp, lotus seed, soybean, rapeseed, tea, tea-oil and milch goat, which are abundant in the province, must be developed as a kind of industrial economy. The production of grain must be geared to the needs of the market.

This forum on commodity production was organized by the provincial Agriculture Institute, and was held by the provincial Institute for Science and Technology. Cao Wenju, vice governor; (Zhou Tongmin), head of the Rural Work Department of the provincial CPC Committee; and responsible persons of government departments concerned attended the forum.

HUNAN RIBAO COMMENTARY ON FOREIGN LOANS

HK170626 Chengsha Hunan Provincial Service in Mandarin 2300 GMT 14 Oct 84

[Report on 15 October HUNAN RIBAO short commentary: "Correctly Understanding the Contracting of Loans."]

[Text] The commentary says: An important way to boost Hunan's economy is to carry out the open-door policy and introduce foreign technology and funds. In the course of introducing foreign technology, we are bound to encounter the issue of contracting loans. Many comrades do not like to hear that there is a need to contract loans. They think that it is not glorious or worthy to contract a loan. However, this worry is unnecessary. In international economic contacts, many countries have developed their economies through foreign loans. In our province the plastics industry has made marked development in a short period of 2 to 3 years by boldly importing advanced foreign technology. Some people even think that contracting foreign loans violates the principle of self-reliance. As a matter of fact, by encouraging foreign businessmen to invest in our province and to help update the equipment of our factories, we will more rapidly develop our production, increase exports, and earn more foreign exchange. Then we will be able to pay foreign debts and have enterprises of high efficiency. Is this not also a way to raise ourselves by our own bootstraps? How can this be in contradiction to the principle of self-reliance?

CHANGSHA BUILDS STRONG THIRD ECHELON LEADERSHIP

HK170422 Changsha Hunan Provincial Service in Mandarin 2300 GMT 11 Oct 84

[Text] According to HUNAN RIBAO, following organizational reform, the Organization Department of the Changsha City CPC Committee has vigorously carried out cadre work and has strengthened the building of the third echelon. After being tested, judged, and trained, a number of cadres who are young and middle-aged intellectuals were promoted to leading positions.

Leading comrades of the Organization Department hold that organization departments should take the lead in meeting the requirements of the four transformations of cadres. First they reorganized the department's leading body, and after submitting a report to the city CPC Committee, they promoted a 36-year-old university graduate who was once a factory manager to the post of deputy director. Through reorganization, three heads or deputy heads of the department's streamlining section, who twice held their posts in succession, are college or university graduates whose average age is 34. Quick in thinking, these people have a good understanding of the aspirations of the people of the times and get along well with young and middle-aged intellectuals. They have rapidly discovered and promoted group after group of talented people to higher positions.

In testing, judging, and using cadres, the Organization Department of the Changsha City CPC Committee upholds the standards of the four transformations of cadres, does not rigidly adhere to formalities in the selection of talented people, and pays particular attention to giving full play to the role of intellectuals who are in their forties.

The number of cadres under age 50 at the bureau level newly promoted throughout the city this year totals 101, of whom 74 are under 45 and have a college or university education. At the same time, four middle-aged intellectuals have been promoted to the leading bodies at the city level.

HUNAN HOLDS BANQUET FOR TRADE MEETING GUESTS

HK170624 Changsha Hunan Provincial Service in Mandarin 2300 GMT 13 Oct 84

[Text] The provincial government gave a grand banquet at the Lotus Guesthouse on the evening of 13 October to welcome more than 200 Hong Kong and Macao compatriots and guests from various countries who came to Hunan to attend trade and technological cooperation talks. Governor Liu Zheng presided over the banquet. Vice Governor Zhou Zhen proposed a toast, in which he said: Hunan is a place both beautiful and rich, which has transport facilities and abounds in natural resources. Hunan has a good environment for investment and bright prospects for cooperation. We will bring into full play these advantages and adopt more preferential policies to absorb capital and technologies from foreign countries and the Hong Kong and Macao region to help develop the province's economy. We sincerely welcome the capital fund, technology and trade circles of all countries entering into long-term cooperation with us. We have deep faith that so long as the spirit of sincerity and friendliness, our cooperation will have bright prospects. He wished successes to the trade and technological cooperation talks.

Attending the banquet were also Chen Yuntian, Hunan People's Congress standing committee chairman; Cheng Xinling, provincial CPPCC Committee chairman; Yang Difu, provincial CPPCC Committee vice chairman; Wei Yunming, vice minister of foreign economic relations and trade; Qi Ping, vice chairman of the board of the Bank of China; Zhang Gengpu, deputy general manager of the China International Trust and Investment Cooperation, and responsible comrades of relevant departments and delegations from all cities and prefectures of the province.

GUIZHOU CPC COMMITTEE HOLDS FORUM ON RURAL WORK

HK121110 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 11 Oct 84

[Text] The provincial CPC Committee held a forum on rural work from 6 to 11 October. Zhang Yuhuan, member of provincial CPC Committee Standing Committee and vice governor, spoke at the forum. Qiao Xueheng, member of the provincial CPC Committee Standing Committee and head of the Rural Work Department, relayed the spirit of the national forum of the rural work study office directors and rural work department heads and gave a summation speech. At the forum, participants exchanged information and experience regarding how Central Document No 1 had been implemented in various localities. They focused their discussions on readjusting and setting up new industrial enterprise organizations in rural areas, bringing out latent rural potential, and quadrupling the gross output value of agricultural production. They also exchanged views on the situation and problems of rural work at present. Concrete arrangements were also made to investigate several current problems in rural areas, rural society and economy, and provincial agricultural economy at chosen spots.

The forum stressed that on the basis of further implementing Central Document No 1, various autonomous prefectures, cities, prefectures, and counties must, in accordance with their respective realities, decide on the orientation and policies for their industrial enterprises. The forum held that since the 3d Plenary Session of the 11th CPC Central Committee, since the implementation of the contracted responsibilities system of linking payment to output in particular, in-depth changes have taken place in the rural areas. The peasants' purchasing power has risen rapidly. The rising combined industries, building industry, service trades, commerce, and transport have developed rapidly. This is a new situation which has appeared since the problem of food and clothing has been solved in the rural areas. It is necessary for us to earnestly study and investigate new situations, new things, new problems, and new experiences before we can have a correct understanding of the society and economy in the rural areas and a scientific basis for formulating principles and policies for the rural areas. In this way, guidance given by leadership at various levels can better conform to realities.

SICHUAN OFFICE NEGATES CULTURAL REVOLUTION

HK170810 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 15 Oct 84

[Excerpts] In giving people an education in totally negating the Cultural Revolution, the provincial Communications Office has encouraged hear-to-heart talks, eliminated factionalism, and enhanced party spirit with notable success.

In the course of the current party rectification, on the basis of the resolution on party rectification and the arrangements made by the provincial CPC Committee, the party organization of the provincial Communications Office has three times given education in totally negating the Cultural Revolution to people working in party organization organs and people working in six units under the office. The Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC has been studied again, and people have been encouraged to list the effects of factionalism, discuss the harm done by factionalism on the basis of the actual circumstances, and strive to free ideological, political, and organizational affairs from factionalism.

More than 280 heart-to-heart talks have been held among the office's party members. Consequently, contradictions among the cadres have been resolved and differences settled. Those comrades who had beaten people, searched people's houses, confiscated their property, and made mistakes during the Cultural Revolution approached their victims on their own initiative, admitted their mistakes, apologized to them, asked their opinions, and asked for forgiveness.

The communications office emphasized: Leading comrades at all levels have played an exemplary role. In the event that there are contradictions between the leaders and those led by them, the leaders should approach and talk to these people. If the contradictions between two parties cannot be speedily resolved, the party branches should mediate. If people are unaware of their mistakes, the leaders should discuss their mistakes with them in order to resolve the contradictions.

SICHUAN HOLDS FORUM ON ENTERPRISE LEADING BODIES

HK180744 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 12 Oct 84

[Excerpts] From 6 to 12 October, the Sichuan Provincial CPC Committee Organization Department convened a forum on the work of building the leading bodies of enterprises in the province. During the forum, Nie Ronggui, deputy secretary of the provincial CPC Committee, met all the representatives and made a speech. In his speech, Comrade Nie Ronggui pointed out: In order to meet the requirements of the building of the four modernizations, organization departments should resolutely implement the "four requirements" policy toward cadres put forward by the central authorities, speed up the building of the leading bodies with the spirit of reform, and consciously and boldly select and promote to the frontline to shoulder heavy responsibilities those cadres who are young, better educated, aggressive, and bold in exploring new ways.

The forum held that in order to speed up the building of the leading bodies of enterprises, large and medium enterprises in particular, the primary task in the province is to understand the importance and necessity of the move. This is decided by the status, nature, and functions of the enterprises. It is necessary in order to suit the needs of the new economic situation, the requirements of catering to the new technological revolution of the world, and the requirements for realizing the general task and general target of the party. We also need to look at the roundup of the historical experience.

The forum emphasized: The key in building the leading bodies lies in selecting and promoting a large batch of young, educated, and aggressive cadres who dare to break new ground. In selected cadres, both qualifications and level should be emphasized, and the mass line should be followed. One of the important jobs of the organization departments is to grasp well the readjustment of the leading bodies of the large, medium, and small enterprises in the province. That is, the first task is to grasp the leading bodies, the second is to grasp the use of talented people, and the third is to grasp policies. At the same time, good arrangements should be made for those cadres who retreat from the leading bodies, so that their role can be continuously brought into play. According to the stipulations of the central authorities, advisory posts will no longer be established in enterprises in the future. The existing advisers who are over 60 should be relieved of their posts or transferred to other work posts after approval.

The forum emphasized: The organization departments at all levels should further enhance their guiding ideology, improve their principle in work, and strengthen the work concerning the leading cadres in economic enterprises while grasping the normal work of the leading cadres in the party and government, so that the organization work can suit better the requirements of four modernizations work.

YUNNAN RIBAO COMMENTS ON OVERCOMING FACTIONALISM

HK180912 Kunming YUNNAN RIBAO in Chinese 3 Oct 84 p 1

[Commentator's article: "More on Both Factions Being Wrong"]

[Text] In conducting education in thoroughly negating the "Great Cultural Revolution," stress should be laid on the solution of the question of eliminating factionalism and strengthening party spirit. One of the special features of factionalism is that those who are infected with factionalism vie with each other to see who is better, strive to outdo the other, and use factionalism to seek personal gain and power. Completely negating the two opposing rebellion organizations is the prerequisite for effectively eliminating factionalism.

We have discussed and pointed out that the two opposing factionalist groups were wrong because they were all the product of the "Great Cultural Revolution." They were all wrong in their guiding thinking and in the aim, ways, and means of struggle. Circular No 9 of the Central Commission for Guiding Party Rectification explicitly points out: All rebellion organizations during the "Great Cultural Revolution" were wrong. If we realize that the two opposing factionalist groups are wrong, we can significantly further heighten our willingness to eliminate factionalism. However, in our discussion there are still some confused ideas which demand further clarification. For example, some people say that it is true that the two opposing factionalist groups are wrong, but there must be some difference in the severity of their mistakes. Can we say those who were persecuted and those who persecuted others were equally wrong, or can we say those who "supported cadres" and those who "beat cadres" were indiscriminately wrong? Other people can also tolerate the assertion that basically speaking, the two opposing factionalist groups were wrong, but when they come to concrete issues they would vie with each other to see who has committed more mistakes. They are in fact vying with each other sometimes overtly and sometimes covertly to see whose group is better.

The "Great Cultural Revolution" was a catastrophe and one of its serious consequences was creating a split among the ranks of cadres or the masses of people and "casting discontent in man's world." From the outset the Lin Biao and Jiang Qing counter-revolutionary cliques stopped at nothing in splitting the ranks of cadres and the masses of people. First, they incited the masses to struggle against and criticize all cadres and called this practice "rising in revolt against those who had revolted against others." Then they incited a section of the masses to struggle against another section and a section of cadres against another section, and as a result the ranks of cadres and the masses were split into two big opposing groups. They plotted to use factionalism to whip up factionalism in an attempt to materialize their wild ambition to seize power by stirring up trouble. During the entire 10 years of turmoil, they waged repeated struggles against and cruelly persecuted the cadres and the masses of people here and there and thus created a big split within the ranks of cadres and the masses of people. To eliminate the sequel of the "Great Cultural Revolution," our party has done a lot of work in bringing order out of chaos.

Since the 3d Plenary Session of the 11th CPC Central Committee, party organizations at various levels have worked hard and made outstanding achievements in ending estrangement and strengthening unity through their efforts to expose, criticize, and investigate problems left over from the "Great Cultural Revolution," to redress unjust, false, and wrong cases, and to implement the cadre policy toward intellectuals, and other policies.

The aftermath of being split and the influence of factionalism have thus been overcome gradually. The overwhelming majority of people bitterly hate factionalist activities. The assertion in the central document that all factionalist groups are wrong is precisely a reflection of the aspirations and demands of the broad masses of people and it has thus won the support of the overwhelming majority of people. Of course, since the question of factionalism is a problem relating to one's thinking and understanding, in order to thoroughly eradicate factionalism, there is much publicity and education work to be done. Today we must have a clear understanding, both in theory and in practice, of the scheme of the Lin Biao and Jiang Qing counterrevolutionary cliques to split the ranks of cadres and the masses of people, and concentrate our hatred on them. It must be acknowledged that the overwhelming majority of our cadres and the masses of people were victims during the "Great Cultural Revolution," suffering from persecution and attacks of all kinds in varying degrees. Only a tiny number of people really benefited from the "Great Cultural Revolution," some of whom have become factionalist elements and "people of the three categories." On no account must we regard a factionalist group as "being persecuted" and the other group as "persecuting others." A concrete analysis should be made of those who were persecuted and those who persecuted others. Some people were cruelly persecuted at a certain stage of the "Great Cultural Revolution" but some people also persecuted others. Those who were persecuted also persecuted others. The situation was complex. Therefore, one cannot say in general terms that those who had been persecuted were correct and were the kind of people who confronted the "gang of four" with toughness. Those who were persecuted should be treated properly in accordance with party policy. Over the last few years we have done things in this way.

However, as for the tiny minority of people who were persecuted and at the same time committed serious mistakes, they should admit their serious mistakes rather than "glossing things over." A concrete analysis should be made of those who persecuted others. Some first persecuted others and then they themselves were persecuted by others, or they were persecuted first and they persecuted others later. This was a common occurrence during the "Great Cultural Revolution." Those who have persecuted others must admit and correct their mistakes. So long as they correct their mistakes, people will not nag them all day long. Of course, those who persecuted others in an absolutely vile way and caused serious consequences should be dealt with according to party policy. In this connection, we should make a concrete analysis of specific persons or things and should not regard a section of people as "being persecuted" and another section as "persecuting others" in general terms, and even less to say that one factionalist group "was persecuted" and another group was "persecuting others." This is not conducive to the achievement of unity and the elimination of estrangement. "It is better to sink than to start a feud" among comrades. Our party has always advocated the notion of looking ahead. It is necessary to distinguish right from wrong on the question of historical events. The aim in doing so is to better sum up experiences, both positive and negative. However, on no account must we get entangled in the longstanding accounts of the past in history and vie with each other to see who or whose factionalist group is better. All comrades who put the interests of the party and the people in an important position can approach things in this way.

Some people say that one of the two opposing factionalist groups supported more cadres and the other supported fewer cadres, and other people say that one group struggled against the cadres more gently and the other struggled against them more fiercely and maliciously. In fact there is no substantial difference between their arguments. The cadres supported by a factionalist group were bound to be attacked by its rival more fiercely.

A factionalist group would turn against and later attack the cadres whom it supported at one time. Therefore the two groups were completely alike. In the course of factional strife during the "Great Cultural Revolution," the two opposing factionalist groups tried to outdo each other in an attempt to seize power and to be a local despot. Particularly during the violent struggles both sides assaulted each other, attempting to eliminate their rival. The absurd argument that of the two opposing rebellion organizations, one followed the "gang of four" and the other confronted the gang with toughness completely does not tally with historical facts. May we ask which one of the two opposing factionalist groups was ever opposed to the "Great Cultural Revolution?" "If one wishes to get a high official position, he must make the most of a favorable situation." Both the two opposing factionalist groups intended to take advantage of this evil situation brought about by the "Great Cultural Revolution" to seize power through rebellion. The two groups in fact thought of themselves as "the only leftist" and "the only revolutionary" and worked exclusively for the seizure of power. As products of the "Great Cultural Revolution," none of the rebellion organizations ever made positive contributions. In the then historical conditions, no matter which group was in power, its rival would be out of luck. This is an objective fact.

Of course, when we say that "both the factionalist groups are wrong and must be negated," we mean the situation as a whole. As far as the great majority of members of the two groups are concerned, they are good and relatively good comrades, and moreover, many of them have gradually deepened their understanding and opposed and resisted the erroneous practices of the "Great Cultural Revolution" in various ways. The number of people who continue with their factionalist activities is getting smaller and smaller. Negating both the two opposing factionalist groups at present is also the demand of the overwhelming majority of the former members of both sides. We should thoroughly negate the "Great Cultural Revolution" as well as the two opposing factionalist groups in terms of theory, practice, ideology, and feelings and should no longer strive to see which group is better at using various specious arguments. This is highly necessary in eliminating factionalism and strengthening the party spirit. Only in this way can party rectification be carried out really satisfactorily and perfunctoriness be avoided in this regard and can we unite with the broad numbers of cadres and the masses of people to work with one heart and one mind for the four modernizations program and create a new situation in the work of the province.

WAN LI COMMENDS BEIJING COMMERCE EMPLOYEES

OW180931 Beijing Domestic Service in Mandarin 2230 GMT 14 Oct 84

[Excerpt] According to a BEIJING RIBAO report by its reporter Chen, Secretary Li Ximing and Deputy Secretary Jin Jian of the Beijing Municipal CPC Committee and Vice Mayor Sun Fuling of the municipality called on workers and staff members of the (Zhangyiyuan) Tea Dealer's Shop and the (Ruinfuxiang) silk and cloth store at (Dashimanli), Beijing, yesterday evening. The officials relayed Vice Premier Wan Li's written instructions on letters to him from CYL members of the two stores.

The written instructions state: If all young comrades in commerce and service trades in Beijing have this spirit, they will be able to play a leading role in building spiritual civilization in the capital. This is a practical action taken by young comrades of the 1980's in revitalizing China by engaging in commerce and service trades. They should be commended, and please salute them for me.

Members of the CYL branches of the two stores wrote letters to Comrade Wan Li in this April and September. In the letters, they briefed Comrade Wan Li on their carrying forward fine traditions and improving the quality of their services. Gladdened by reading these letters, Comrade Wan Li wrote the above instructions on them on 6 October.

NEI MONGGOL TO STEP UP PARTY RECTIFICATION DRIVE

SK190400 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 18 Oct 84

[Excerpts] At a meeting on the afternoon of 17 October with principal responsible cadres from the regional level organs that had been assigned to the first stage of party rectification, Li Xiangyi, Standing Committee member of the regional CPC Committee and deputy director of the office in charge of party rectification work, delivered a speech in which he pointed out: Except for a few units, the majority of the regional level organs should race against time, strengthen their leadership over the work, and do a good job in conducting the work so as to strive to fulfill the tasks by the end of 1984 on the premise of ensuring the quality of party rectification work.

Comrade Li Xiangyi stated: Since the end of 1983, the units of the regional level organs which have been assigned to the first stage of party rectification have successively carried out the party rectification work in three groups. At present, the overwhelming majority of these units have entered the period of making corrections. Most units that have been assigned to the second or third stage of party rectification have entered the period of conducting comparison and examination and will continuously move into the period of making corrections. Therefore, in the upcoming 2 months, it is imperative to successfully grasp various work by centering on the task of making corrections. First, we should make all-out efforts to fulfill the four tasks of the period of making corrections in a down-to-earth manner. Efforts should be made to further straighten out the guiding ideology of professional work and vigorously grasp the implementation of conducting reforms in various fields. We should resolutely implement the provisions and measures set forth by the central authorities and the autonomous regional authorities in regard to conducting reforms. We should actively improve or replenish the former regulations, rules, systems, and measures that are not suitable to the new situation and come within the limits of our authority. We should actively submit our proposals and plans to our higher authorities in regard to conducting reform of problems that have involved a large number of people and that we cannot deal with ourselves. Current tasks for conducting reform are chiefly aimed at doing a good job in simplifying administration, giving the administrative power of enterprises to lower levels, and enforcing economic responsibility systems.

Efforts should be made to conduct education among party members on totally negating the Great Cultural Revolution, to eliminate the lingering practice of the Cultural Revolution and the pernicious influence of extensive democracy, and to do away with the remnants of factionalism in order to enhance unity and the party's spirit. We should earnestly investigate and deal with the malpractices of seeking personal gains by taking advantage of power and of serious bureaucracy.

Comrade Li Xiangyi pointed out: While doing a good job in grasping party rectification work by focusing on the task of making corrections, efforts should be made to vigorously examine and investigate cases concerning three-category elements. At present, we should concentrate on finding evidence for these cases and should successfully conduct the pilot work of registration of party members.

Comrade Li Xiangyi stated: To fulfill the tasks mentioned above, attention should be paid to dealing with the following four issues:

1. In making corrections, efforts should be made to correctly deal with the two relationships of guiding ideology -- one is the relationship between the work of fulfilling the party rectification tasks in an overall way and the work of stressing the main task; it means that, in line with the task of continuously creating a new situation and developing the excellent situation of stability and unity, we should define the main direction of our work in making corrections; the other one is the relationship between the practice of taking stopgap measures and the effort to effect a permanent cure, it means that we should make efforts to effect a permanent cure, vigorously establish or improve various systems of the party's inner life, strengthen ideological and political work among party members, and should have the work become a regular and systematic practice; and that we should improve the work systems of organs and gradually establish a system of personal responsibility.
2. In making corrections, efforts should be made to continuously uphold the principle of conducting guidance and have a strict and good grasp of the demarcation line between policies.
3. Efforts should be made to strengthen the building of organizations. While doing a good job in building leading bodies, efforts should be made to vigorously conduct the selection and examination of building the third echelon.
4. Efforts should be made to realistically strengthen leadership over party rectification work, and on the premise of ensuring the quality of the work, to accelerate the pace of waging the party rectification drive.

HEILONGJIANG RIBAO ON ECONOMIC ACHIEVEMENTS

SK180531 Harbin HEILONGJIANG RIBAO in Chinese 1 Oct 84 p 2

[Excerpts] Before liberation, our province's economic foundation was very weak. However, it was listed as one of the provinces to carry out the state's key construction projects after the founding of the PRC. From 1950 to 1983, the total investment of the province's state enterprises in capital construction reached 43.85 billion yuan and about 226 large and medium-size projects were completed and put into production.

In industrial construction, the province's investment in industrial capital construction projects in the past 30 years and more reached 27.15 billion yuan. There was 31.7 billion yuan worth of fixed assets in the industrial field in 1983, 31.6 times that of 1949. It has become the state's important industrial base with various rationally organized branches of sciences focusing on the development of coal, petroleum, timber, machinery, and foodstuffs. Our province has supported the state with a great number of industrial goods every year, transferring about 80 percent of its crude oil output, 75 percent of the timber output, and 25 percent of the coal output to the state.

In agriculture and water conservancy, over the past 35 years and more, our province has expanded the farming areas by some 45.7 million mu, and built 427 water reservoirs with a total capacity of 5.7 billion cubic meters. The effective irrigated areas increased from 1.9 million mu in 1949 to 9.64 million mu in 1983, up 4.1 times. Agricultural machinery has grown from nothing. The total capacity of farm machines in use in the province reached 12 million horsepower and the areas plowed by machines accounted for 64.3 percent of the total farming areas, ranking first in China.

In communications and transportation, the total mileage of railroads in the province in 1983 reached more than 5,800 km, an increase of some 2,200 km over 1949, ranking first in China. The total road transportation mileage reached some 45,000 km, an increase of 6.6 times over 1949, ranking fifth in China.

Our province's scientific and technological ranks have continued to expand and our technical level has improved increasingly along with the development of economic construction. In 1983, the province as a whole had nearly 500,000 specialized scientific and technological personnel of all descriptions. From 1979 to 1983, our province won 1,902 awards for key scientific and technological research findings, many of which attained advanced world level and some even entered the advanced world ranks.

Thanks to the continual changes in the production relations and the planned economic construction, social production has rapidly developed. Comparing 1983 and 1949, the total industrial and agricultural output value increased 12.5 times, an average annual increase of 8 percent. The national income increased 10.3 times. Since the 3d Plenary Session of the 11th CPC Central Committee, the enthusiasm of peasants has been greatly heightened thanks to the implementation of the party's rural economic policies. The gross grain output in 1983 reached 30.98 billion jin, a 1.7-fold increase over 1949.

The scope of commodity circulation has expanded every year along with the development of production and improvements in the people's purchasing power. The total commodity procurement of state commercial units in 1983 reached 10.82 billion yuan, an increase of 46 times over 1949. The total commodity retail sales reached 12.4 billion yuan, an increase of 30.8 times over 1949. Since the 3d Plenary Session of the 11th CPC Central Committee, in particular, we have readjusted and reformed the circulation system.

While giving full play to the dominant role of state commercial units, we have supported and developed the collective and individual commerce, and increased circulation channels. The retail sales of commodities through various economic forms have increased generally. Trade fairs have been rapidly restored and developed and the supplies of industrial goods for daily use as well as nonstaple food, including meat, fish, and eggs, have improved remarkably. Many commodities that were supplied through coupons are now in unrestricted supply.

The province's average per capita consumption level of residents in 1983 reached 393 yuan, an increase of 93.6 percent over 1952 if calculated in terms of comparable prices. Since the 3d Plenary Session of the 11th CPC Central Committee, the state has adopted a series of measures to improve the living standards of the people. From 1978 to 1983, the average per capita consumption level of peasants rose from 146 yuan to 279 yuan. The consumption level of each worker rose from 441 yuan to 576 yuan. The gap between the consumption levels of peasants and workers is being narrowed gradually.

Since the "First 5-Year Plan" period, the province as a whole has built some 56 million square meters of residential houses. The average per capita housing for urban residents increased from 3.2 square meters in 1952 to 3.8 square meters in 1983.

HEILONGJIANG JIU SAN SOCIETY CONGRESS OPENS

SK190321 Harbin Heilongjiang Provincial Service in Mandarin 100 GMT 18 Oct 84

[Excerpts] The first provincial congress of Jiu San Society opened in the Beifang Building of Harbin City today.

Attending the opening ceremony and extending greetings to the congress were leading comrades of the provincial CPC Committee, the Standing Committee of the provincial People's Congress, the provincial government, the provincial CPPCC Committee, including Hou Jie, Zhang Ruilin, Bao Cong, (Zhang Ruoxian), and Tang Liandi; and responsible comrades of all democratic parties and mass organizations, including Wang Zhaozhi, Wang Zhitian, Guo Shouchang, Ma Xinquan, (Shi Xuekang), (Lai Youtai), and (Lin Beiqing).

Liu Huixian, executive chairman of the congress, delivered an opening speech.

Entrusted by the Preparatory Committee of the Work Committee of the Heilongjiang Provincial Jiu San Society, (Zhao Shijie), secretary general of the congress, made a work report entitled, "Be United and Fight, Be Brave in Conducting Reforms, Carry out Into Play Our Advantages, and Enthusiastically Create a New Situation in Heilongjiang's Jiu San Society Work."

QINGHAI ISSUES CIRCULAR ON BIRTH CONTROL MEASURES

HK180600 Xining Qinghai Provincial Service in Mandarin 1100 GMT 16 Oct 84

[Text] Recently the provincial CPC Committee Propaganda Department, the provincial Family Planning Committee, and the provincial Public Health Department jointly issued a circular urging all localities and units to greatly propagate and implement family planning measures during the period from October to the Spring Festival. It also urges implementing in a correct and all-around way the spirit of the central instructions on family planning.

Reaffirming the spirit of the relevant documents of the CPC Central Committee, the circular points out: The work of family planning is a basic national policy of China, as well as a major undertaking that plays a vital part in helping the Chinese nation grow and flourish. We must build the work of family planning on the foundation of being fair and reasonable, being supported by the masses, and that the cadres have a good work style. We must continue to advocate that each couple have only one child. In the meantime, we must further perfect specific policies on family planning. At present we must mainly focus on continuing to take a relaxed attitude in a controlled way toward the rural areas, and, in connection with the stipulated conditions and with approval from the upper levels, allow couples living in the rural areas to have a second child. But we must resolutely check anyone who wants to have a third child. We must seriously prevent people from having a second one or other children outside planning. For minority nationalities that have a population below 10 million, we should adopt a relaxed attitude in an appropriate way and permit them to have a second child, or a third one, but not a fourth one.

The circular said: Recently, there have been rumors that family planning work has slackened. These rumors are in fact groundless. Party committees of various localities and units must greatly propagate among the masses the spirit of the central instructions. They should further strengthen their leadership and do well in this work. Concerning the implementation of various contraceptive measures, we must work at this sufficiently hard and conscientiously. For couples who are of child-bearing age and have more than one child, we must advocate that they undergo birth-control operations. For couples who are afraid of the operation, but who have had practical success in using other contraceptive measures for years and are not willing to undergo the operation, or who actually have problems in undergoing an operation, we should permit them to forgo an operation. However, such couples must implement the relevant contraceptive measures.

The circular urged all localities to propagate family planning by coordinating with the public health departments so as to make new contributions in the work of controlling the province's population growth rate.

QINGHAI EXPANDING POWER OF ENTERPRISES

HK190604 Xining Qinghai Provincial Service in Mandarin 1100 GMT 16 Oct 84

[Excerpts] According to Qinghai Ribao, since June the industrial and communications sectors of Xining City have arranged their work around the tasks of eliminating the leftist influence, streamlining administration, decentralizing decisionmaking power, introducing the contract system, enlivening enterprises, and speeding up the pace of reform. The sectors have made preliminary successes.

From January to August this year, the 40 industrial and communications enterprises that are included in the city's final accounting have achieved a total industrial output value of more than 64.9 million yuan, an increase of 15.35 percent compared with the same period last year.

This May, the industrial and communications sectors decentralized internal power to grassroots units, after the stipulation of the State Council on expanding the power of enterprises was made known to lower levels. This includes the power to set up an organization, to appoint and dismiss, to recruit, to select the wage scale system, and to allocate liquid capital.

The practice is mainly to reform the management system of cadres. The factory head is appointed by the upper levels, but the deputy factory head should be nominated by the factory head and appointed by the upper levels after assessment. Some of the enterprises' mid-level cadres should be appointed or dismissed by the factory head, while some should be nominated by an appropriate deputy head and appointed by the factory head. Heads of teams and groups should be appointed or removed by workshop heads, or such action should be taken in light of the results of a democratic election. Scientific workers should be recruited by section heads, and those who are not selected should be placed on a waiting list. This practice also involves reform in wage distribution, and the practice of linking various wage systems to the results of labor.

By the end of July, 111 out of 117 industrial and communications enterprises in the city had signed contracts with the responsible departments. Some enterprises have contracted to be complete links in the production chain, from the supply of raw material to product marketing; others have contracted for special projects, such as developing new products. On the other hand, some contracts are contracted out collectively to leading groups, while some are to contracted to competent individuals. No matter what type of contract they have entered, they have made outstanding achievements.

XINJIANG MILITARY CONFERENCE CONCLUDES

HK181453 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 17 Oct 84

[Text] The Urumqi Military Region's conference on political work lasted 3 days and concluded today.

The conference demanded: All units of the whole region should seriously implement the spirit of the whole Army's on-the-spot symposium on studying science and culture and training qualified persons for both military and civil service and, in the light of the realities of PLA units, should study and carry out measures and [words indistinct].

The conference conveyed the spirit of the whole Army's on-the-spot symposium on studying science and culture and training qualified persons for both military and civil service and on the advanced experiences of fraternal military regions. In connection with the realities of PLA units, representatives attending the conference conducted a lively discussion, summed up experiences, analyzed the situation, discovered much. They were impressed by the following features:

1. It is necessary to understand the work of studying science and culture and training qualified persons for both military and civil service from the plane of the strategic concept of Army-building, of the overall concept of the four modernizations, and of the concept of cherishing soldiers in the new period.
2. In studying science and culture and training qualified persons for both military and civil service, it is essential to constantly eliminate leftist influence, to adhere to the ideological line of seeking truth from facts, and to give full play to our own advantages.
3. Studying science and culture and training qualified persons for both military and civil service is an important reform of the building of PLA units. All departments of organs must clearly divide their work and must grasp and control this work together. Military, political, and logistics cadres must make concerted efforts to firmly grasp this work.

I. 19 Oct 84

T 3

PRC REGIONAL AFFAIRS
NORTHWEST REGION

4. Although we have done a great deal of work and have made certain achievements in studying science and culture and training qualified persons for both military and civil service, there are still great discrepancies between our work and the requirements of our upper levels and the work of the advanced units of our fraternal military regions. All units of the whole region must establish the spirit of reform and of bringing forth new ideas and must improve and enhance the work of studying science and culture and training qualified persons for both military and civil service to a new level.

At the conclusion of the conference, Tian Zhong, vice chairman of the region and Kang Lize, deputy political commissar of the Urumqi Military Region, both spoke, hoping that people's governments at all levels and all PLA units would grasp firmly and well the work of studying science and culture and training qualified persons for both military and civil service, would make achievements in this work, and would make new contributions toward exploiting and building Xinjiang.

TOWN ENTERPRISE WORK CONFERENCE OPENS IN URUMQI

HK190610 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 17 Oct 84

[Text] The first regional conference on township and town enterprise work opened in Urumqi this morning.

Li Jiayu, secretary of the regional CPC Committee, attended the conference and gave a report entitled: "Relax Policies, Boldly Carry Out Reform, and Strive to Create a New Situation in Our Region's Township and Town Enterprises."

The main tasks of this conference are to study and implement the relevant documents of the CPC Central Committee and the State Council and, in connection with the realities of Xinjiang, to study the problems of how to speed up the development of our region's township and town enterprises.

In his report, Comrade Li Jiayu pointed out: The objective of the struggle for the development of the region's national economy is that the gross industrial and agricultural output value by the end of this century must increase by 600 percent. To achieve this objective, township and town enterprises must shoulder the heavy burden. Therefore, it is imperative to further strengthen leadership over township and town enterprises, to eliminate the leftist influence, to emancipate the mind, to correct the orientation, to relax policies, to boldly carry out reform, to firmly grasp the consolidation of enterprises, to throw conventions to the winds, and to create a new situation so that our region's township and town enterprises can have a historical change.

U.S. URGED TO STRESS TAIWAN RELATIONS ACT

OW180837 Taipei CHINA POST in English 16 Oct 84 p 4

[Editorial: "Teng's Remarks on Blockade of Taiwan"]

[Text] Teng Hsiao-ping's remarks to a visiting group of Japanese October 11 refusing to rule out the use of force to settle the so-called Taiwan issue and hinting at the possibility of a blockade of Taiwan by the Chinese Communists should not be "ignored" by the United States Department [as published] as the AP dispatch on October 12 reported.

The United States should not ignore the latest statement by Teng and choose to hold to Red China's official position as expressed by Teng in his address on October 1, in which he referred to the peaceful reunification with Taiwan as an unchanged policy. But he declined to answer the question of whether a suggestion of a blockade reflected peaceful intentions.

Although the State Department reminded the Chinese Communists about the discrepancies of the two statements, it should not consider the latest statement as ignorable. Instead it should take it as the true intention of the Peking regime: to solve the "Taiwan issue" by blockading the Taiwan Strait as it claimed to have the "military power" to do so.

Teng's remarks, it may be noted, were made to intimidate the United States should clearly warn Peking that a blockade of the Taiwan Strait would constitute an aggression under the provisions of the Taiwan Relations Act and the United States will be duty bound to resist such an aggression.

On the other hand, Teng's remarks constitute a definite threat to the security of the Republic of China. The United States should also lose no time in supplying the latter with all necessary defensive arms and planes for its self-defense as stipulated in the Taiwan Relations Act.

In this respect, U.S. Congressional leaders should issue a call for the implementation of the Taiwan Relations Act without further delay. They should not be so preoccupied by the election campaigns now going on in the United States as to lose sight of the latest crisis in the Taiwan Strait.

The people of the Republic of China should be more alert than ever before to the latest threat against their security by Teng. Even though we have nothing to fear as our Armed Forces are strong enough to deal with the situation, the ominous warning should not be underrated.

At the same time, we should remind the American people about the war-mongering attitude of the Chinese Communists and the mistaken U.S. policy of colluding with the Chinese Communists to restrain the Soviets. It merely encourages Soviet expansion and disappoints U.S. allies and friends.

TA KUNG PAO: CPC 3D PLENUM TO END 19 OCT

HK190210 Hong Kong TA KUNG PAO in Chinese 19 Oct 84 p 1

[Special dispatch from Beijing: "Third Plenary Session Closes Today"]

[Text] Beijing, 18 October -- The 3d Plenary Session of the 12th CPC Central Committee will end tomorrow. A resolution on the economic structural reform adopted at the session will also be published tomorrow.

According to reports, while the 3d Plenary Session of the 12th CPC Central Committee has been in session, the CPC Central Committee has also convened a forum of representatives from various democratic parties and nonparty representatives. At the forum, Hu Yaobang, general secretary of the CPC Central Committee, and other leaders briefed the forum on the chief issues discussed at the current third plenary session and listened to their opinions and suggestions on these issues.

HSIN WAN PAO: CPC 3D PLENUM TO END 20 OCT

HK190738 Hong Kong HSIN WAN PAO in Chinese 19 Oct 84 p 4

[Special dispatch: "The Third Plenary Session Will Close Tomorrow and Make Public a Decision on Economic Reform"]

[Text] Beijing, 19 Oct (HSIN WAN PAO) -- According to the latest information from a reliable source, the 3d Plenary Session of the 12th CPC Central Committee will close tomorrow (on the 20th). A resolution on economic structural reform adopted at the session will also be published.

According to reports, while the 3d Plenary Session of the 12th CPC Central Committee has been meeting, the CPC Central Committee also convened a forum of various democratic party and nonparty representatives. At the forum, Hu Yaobang, general secretary of the CPC Central Committee, and other leaders presented a briefing on the chief issues discussed at the current third plenary session and listened to opinions and suggestions on these issues.

HONG KONG TV: CPC 3D PLENUM APPROVES PRICE CHANGES

HK191210 Hong Kong Television Broadcast Limited in English 1100 GMT 19 Oct 84

[Text] A senior Chinese economist says that, although China is revising the prices of basic necessities, no profiteering will result. Nick Griffin reports:

[Begin recording] The economist (Zhang Yihuai) from the Economic Research Center under the State Council says, although the Communist Party plenum has approved the new price structures, supply will be adjusted to meet demand. He assured people that prices of basic commodities would be kept within a certain range to ensure that no one suffered unnecessarily. This would also be done said Mr (Zhang), to ensure that there was no speculation by certain unscrupulous people. At the same time the plenum has also voted to allow staff salaries in certain state enterprises to be raised.

Asked whether this freeing of price restraints would fuel inflation, Mr (Zhang) said: No, it's not the same as issuing new bank notes, which would send inflation shooting up.

Mr (Zhang) also revealed that interest rates would be adjusted soon to guarantee that people got a decent return on their savings. It's estimated the savings, which are at a record high now, stand somewhere in the region of 100 billion yuan. Some people have argued that this is the ugly head of capitalism rearing its head in China, something which Mr (Zhang) disagrees with. Just because they have money in the bank, he said, doesn't mean they're moving away from the spirit of communism. This is Nick Griffin, TVB News. [end recording]

PRC OFFICIAL COMMENTS ON DRAFTING BASIC LAW

HK181200 Hong Kong Television Broadcast Limited in English 1100 GMT 18 Oct 84

[Text] One of the top legal experts in China says Hong Kong people will not have direct involvement in drafting the basic law, but he didn't rule out the possibility of residents giving their opinions. Nick Griffin has this report:

[Begin Griffin recording] The news came in an exclusive interview by a TVB reporter in Beijing with the National People's Congress' chairman of the Commission of Legislative Affairs, Zhang Youyu. He said the congress approved Premier Zhao Ziyang's working report, which contains a section of Hong Kong's future policy. Next month, said Zhang, the NPC will approve the Sino-British joint declaration on Hong Kong and, after it's ratified, work will start on drafting the basic law. But Hong Kong people can't be directly involved in that, he said, because under the Chinese Constitution all important legislation must be the responsibility of the National People's Congress.

He advises Hong Kong people not to worry, as the basic law will follow clauses already laid down in the joint declaration which residents have already accepted. So basically, he said, apart from a few technical things, there'll be nothing new; nothing that the people of Hong Kong haven't already accepted from the joint declaration which guarantees them certain rights. This is Nick Griffin, TVB news. [end recording]

HSIN WAN PAO ON CHINESE WRITER'S DEATH IN U.S.

HK190714 Hong Kong HSIN WAN PAO in Chinese 17 Oct 84 p 1

["News Talk" column: "Clues in the Investigation of the Murder of Chiang Nan"]

[Text] On the morning of 15 October, three shots were heard in Daly City in San Francisco. Chiang Nan, a prominent Chinese writer residing in the United States, was hit on the spot, and was later certified dead upon arrival at the hospital.

The culprit in this homicide has escaped. Therefore, the truth of the case is still unknown. However, Chiang Nan's work and background provide us with a starting point and can help us understand the case better.

Formerly, Chiang Nan was a reporter for the Taiwan JIH PAO [TAIWAN DAILY]. In the late 1960's, he went to the United States to study. While writing his thesis for a masters degree, he wrote newsletters from the United States for his paper. His letters had a unique style among the various newspapers in Taiwan. By writing in equivocal terms, he showed discontent with the long-term division of the country. He also frequently revealed the unequal relations between the United States and Taiwan. Not long after that, the publication of his newsletters from the United States was stopped and the TAIWAN JIH PAO was taken over.

When he lived in Taiwan, Chiang Nan was in a training class for political cadres. The teacher in charge of his class was Chiang Ching-kuo. Therefore in the United States he planned to write the "Biography of Chiang Ching-kuo" as the topic of his graduation thesis. But when he asked the Taiwan authorities to provide materials, his request was turned down. Thus he gave up his idea and turned to business. In the early 1970's, he finally wrote the book by making use of materials that he had previously collected, is work was published in installments in a Hong Kong magazine. It was formally published in 1975.

Over the years, Chiang Nan resided in the United States. In addition to stopping over in Hong Kong for visits and to study historical facts in mainland China, he has, in recent years, written articles for several Hong Kong newspapers, and written several books.

Because Chiang Ching-kuo began to assume a dominant role in Taiwan after the "Biography of Chiang Ching-kuo" was published and many facts and views, had changed, Chiang Nan decided to revise the book. This revised version has been published in installment since July last year in the TRIBUNE in the United States and, according to the TRIBUNE, Taiwan tried to pressure it.

Another book, the first half of the "Biography of Long Yun," has been completed. Being a former responsible military and government personage of Yunnan, and a general of the Yunnan Army, Long Yun's power was broken by Chiang Kai-shek during the war of resistance against Japan. Later, Long Yun was under house arrest in Chongqing and Nanjing. After that, he went to Hong Kong and announced his revolt, and then went north to joint the government of New China.

The "Biography of Wu Kuo-chen" was not yet completed. Formerly the mayor of Shanghai in the 1940's, Wu Kuo-chen became a provincial chairman after arriving in Taiwan. But because he was at odds with Chiang Kai-shek, he went to the United States and lived there for a long time and recently died there. Before Wu's death, Chiang Nan visited him and had a lengthy talk with him. Chiang Nan published an article of condolence after Wu died. In the article, he revealed that Wu Kuo-chen had planned to go to Beijing with his wife in September of this year, but had not done this because of a sudden illness.

The "Biography of Sun Li-jen" was also being planned. Originally, Sun Li-jen was a general in Chiang Kai-shek's new army. He was appointed the commander in chief of the army after arriving in Taiwan. He was accused of "betrayal" in 1955 and was under house arrest for nearly 30 years. Chiang Nan had also conducted an investigation of Sun Li-jen's case.

Judging from the above, the majority of Chiang Nan's works concerned the experiences of several typical figures, through which he tried to probe Taiwan's internal political struggles. In addition, he had come under pressure because of his works,

According to information from San Francisco, the police who are handling the case requested the "China Airline Company" of Taiwan (or "China Airlines" in short) to provide the names of all its Taiwan-bound passengers. Based on this, we can judge the direction in which the case is going.

The development of this case is hard to guess. Will the whole story behind the case come to light? Or will it become a lingering unsolved mystery? Both Shen Zui and Wen Qiang, who are former head agents of the KMT, said in their memoirs written after crossing over from the KMT, that those who used guns and daggers to "speak" in the dark only acknowledged the weakness of their own situation.

END OF

FICHE

DATE FILMED

22 OCT. 84

